Also, petition of Lithographers' Union of New York, favoring protection of home industries—to the Committee on Ways and Means.

Also, petition of Edward and John Burke, of New York, urging drawback on containers when of American manufacture—to the Committee on Ways and Means.

Also, petitions of Michael Bruling and Henry Hild, of New York, urging protection for lithographic trade—to the Committee on Ways and Means.

Also, petition of Jed Frye & Co., of New York, regarding reduction of duty on certain kinds of fish—to the Committee on Ways and Means.

Also, petition of post-card manufacturers of New York, favoring a duty on post cards—to the Committee on Ways and Means.

Also, petition of S. M. Flickinger Company, of Buffalo, N. Y., against a duty on tea and coffee—to the Committee on Ways and Means.

Also, petition of the Roessler & Hasslacher Chemical Company, of New York, favoring 25 per cent duty on cyanide of sodium—to the Committee on Ways and Means.

Also, petition of the Paul Taylor Brown Company, of New York, against increase of duty on canned pineapple—to the Committee on Ways and Means.

By Mr. GRIEST: Petition of cigar makers, against the free entry of cigars and tobacco from the Philippine Islands—to the Committee on Ways and Means.

By Mr. HAMLIN: Paper to accompany bill for relief of James J. Davidson—to the Committee on Invalid Pensions.

By Mr. HENRY of Texas: Petition from various citizens of Gatesville, Tex., protesting against the enactment of the so-called "parcels-post measure"—to the Committee on the Post-Office and Post-Roads.

By Mr. LOVERING: Petition of Charles A. Van Evera and others, of the Tenth Congressional District of Massachusetts, favoring certain passage in tariff bill relative to post cards—to the Committee on Ways and Means.

By Mr. MARTIN of South Dakota: Petition of Cigar Makers' Union of Bridgewater, S. Dak., against admission of cigars free of duty from the Philippine Islands—to the Committee on Ways and Means.

By Mr. NORRIS: Petition of residents of Wood River, Nebr., against the proposed parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. PAYNE: Petition of Pomona Grange, of Ontario, N. Y., favoring a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. SHEFFIELD: Petition of E. A. Johnson & Co. and 30 other printing concerns of Providence, R. I., opposing the free printing of return cards on envelopes sold by the Post-Office Department—to the Committee on the Post-Office and Post-Roads.

By Mr. SULZER: Petition of Isaac Prouty & Co., of Spencer, Mass., for removal of the duty on hides—to the Committee on Ways and Means.

Also, petition of National Association of Hosiery and Underwear Manufacturers, relative to duty on hosiery—to the Committee on Ways and Means.

Also, petition of Hall & Ruckel, of New York, favoring a reduction of duty on soda ash—to the Committee on Ways and Means.

Also, petition of Chelsea Fiber Mills, of New York, against certain changes in tariff bill (H. R. 1438)—to the Committee on Ways and Means.

## SENATE.

TUESDAY, *May 4, 1909.*

The Senate met at 11 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FLINT and by unanimous consent, the further reading was dispensed with.

The PRESIDENT pro tempore. Without objection, the Journal stands approved.

### FINDINGS OF THE COURT OF CLAIMS.

The PRESIDENT pro tempore laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact filed by the court in the cause of the State of Oregon *v.* United States (S. Doc. No. 28) which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

### PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Joint resolution 8 A.

Joint resolution relating to coolie and Mongolian labor.

Whereas the overpopulation of the Asiatic nations of Mongolian origin has caused the overflow of those people into other countries; and

Whereas the conditions in this country peculiarly favor the immigration of those people to our shores; and

Whereas the immigration of those people, by their lower standards of living and of society, has resulted and does result in the lowering of wages and of the standard of living of the American laborers; and

Whereas such people are unfit to become citizens of this Republic and have no intention or desire to fit themselves to become such, but rather to return after a few years to their native lands, thus resulting in an economic loss to this country; and

Whereas the exclusion of the Chinese has tended to preserve the economic and social welfare of this country: Therefore, be it

*Resolved by the assembly (the senate concurring)*, That we memorialize Congress to extend the present Chinese-exclusion laws so as to apply to all Asiatics of Mongolian origin; and

*Resolved*, That a copy of the foregoing be immediately transmitted by the secretary of state to the President of the United States, the President of the Senate, and Speaker of the House of Representatives, and to each of the Senators and Representatives from this State.

L. H. BANCROFT,
*Speaker of the Assembly.*

C. F. SHAFFER,
*Chief Clerk of the Assembly.*

JOHN STRANGE,
*President of the Senate.*

F. E. ANDREWS,
*Chief Clerk of the Senate.*

The PRESIDENT pro tempore presented the memorial of S. J. G. Heinberge and sundry other citizens of Jackson, Mo., remonstrating against the adoption of the resolution relative to railroad rates in Missouri, etc., which was referred to the Committee on Interstate Commerce.

He also presented a memorial of the Parker Improvement Association of Parker, Ariz., remonstrating against the construction of a dam across the Colorado River above that city, which was referred to the Committee on Commerce.

Mr. FLINT. I present a memorial, in the nature of a telegram, from the Chamber of Commerce of Fresno, Cal., which I ask may be read and lie on the table.

There being no objection, the memorial was read and ordered to lie on the table, as follows:

[Telegram.]

FRESNO, CAL., *April 29, 1909.*

Senator F. P. FLINT,
*Washington, D. C.:*

Following resolutions passed at meeting Chamber of Commerce last evening:

Whereas the proposition to reduce to a minimum the duty on crude petroleum is now before the Senate of the United States, while ostensibly aimed as a blow at the Standard Oil trust, is, in fact, a much less serious menace to that monopoly than it is to that portion of the domestic industry composed of many thousands of independent producers; for

Whereas the Standard Oil trust, with its untold millions of capital, can under free trade in crude petroleum easily transfer its base of operations to the oil fields of Mexico, and by the employment of peon labor force the independent producers of the United States out of business, and thereby largely increase the power of its monopoly: Therefore be it

*Resolved*, That the Fresno County Chamber of Commerce is determinedly opposed to such proposed reduction of duty as a serious menace to an important and growing domestic industry and in no wise calculated to curb the power or limit the profits of any monopoly.

FRESNO COUNTY CHAMBER OF COMMERCE,
By WILLIAM ROBERTSON, *Secretary.*

Mr. FLINT presented a petition of the Chamber of Commerce of Los Angeles, Cal., and a petition of the Board of Trade of Kern County, Cal., praying for an increase of the duty on asphalt, which were ordered to lie on the table.

He also presented petitions of the Chamber of Mines of Los Angeles, of the Chamber of Commerce of Los Angeles, and of the Merchants and Manufacturers' Association of Los Angeles, all in the State of California, praying for the retention of the present countervailing duty on petroleum, which were ordered to lie on the table.

Mr. GAMBLE presented the petition of Joseph Hebal, of Goodwin, S. Dak., praying for a reduction of the duty on raw and refined sugars, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Ramona and Oldham, S. Dak., praying for the repeal of the duty on hides, which was ordered to lie on the table.

Mr. BURTON presented petitions of sundry citizens of Steubenville, Stoutsville, Painesville, Brecksville, Hubbard, Miller, Lorain, Salesville, Dayton, Howard, Mount Vernon, Waverly, New Carlisle, Washington, Sylvania, and Cincinnati, all in the State of Ohio, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. BRISTOW presented petitions of sundry citizens of Argonia, Kans., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. RAYNER presented petitions of sundry citizens of Baltimore, Chesapeake City, Swanton, and Westminster, all in the State of Maryland, and of sundry citizens of Washington, D. C., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. STEPHENSON presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Joint resolution indorsing United States Senate bill 8323.

*Resolved by the assembly (the senate concurring)*, That we heartily indorse Senate bill No. 8323, introduced into the United States Senate and referred to the Committee on Education and Labor, creating a national children's bureau, and request our United States Senators and Members of Congress to support the same. That a copy of this resolution be transmitted to each of our United States Senators, Members of Congress, and to the chairman of the Senate Committee on Education and Labor.

L. H. BANCROFT,
*Speaker of the Assembly.*

C. E. SHAFFER,
*Chief Clerk of the Assembly.*

JOHN STRANGE,
*President of the Senate.*

F. E. ANDREWS,
*Chief Clerk of the Senate.*

Mr. STEPHENSON presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Joint resolution 8 A.

Joint resolution relating to coolie and Mongolian labor.

Whereas the overpopulation of the Asiatic nations of Mongolian origin has caused the overflow of those people into other countries; and

Whereas the conditions in this country peculiarly favor the immigration of those people to our shores; and

Whereas the immigration of those people, by their lower standards of living and of society, has resulted and does result in the lowering of wages and of the standard of living of the American laborers; and

Whereas such people are unfit to become citizens of this Republic and have no intention or desire to fit themselves to become such, but rather to return after a few years to their native lands, thus resulting in an economic loss to this country; and

Whereas the exclusion of the Chinese has tended to preserve the economic and social welfare of this country: Therefore, be it

*Resolved by the assembly (the senate concurring)*, That we memorialize Congress to extend the present Chinese-exclusion laws so as to apply to all Asiatics of Mongolian origin; and

*Resolved*, That a copy of the foregoing be immediately transmitted by the secretary of state to the President of the United States, the President of the Senate, and Speaker of the House of Representatives, and to each of the Senators and Representatives from this State.

L. H. BANCROFT,
*Speaker of the Assembly.*

C. E. SHAFFER,
*Chief Clerk of the Assembly.*

JOHN STRANGE,
*President of the Senate.*

F. E. ANDREWS,
*Chief Clerk of the Senate.*

Mr. STEPHENSON presented a memorial of the Medford Advancement Association, of Medford, Wis., remonstrating against the imposition of a duty on hides, which was ordered to lie on the table.

He also presented a petition of the Wisconsin Retail Lumber Dealers' Association, praying for the removal of the duty on Canadian lumber, and also for the appointment of a tariff commission, which was ordered to lie on the table.

He also presented petitions of sundry citizens of Ableman, Appleton, Ashland, Hertel, Hortonville, Melrose, Malone, Neosho, New London, Pleasant Prairie, Plymouth, Port Washington, Randolph, and Stevens Point, all in the State of Wisconsin, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a memorial of the Chamber of Commerce of Milwaukee, Wis., remonstrating against a reduction of the duty on barley and malt, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Florence County, Wis., praying for a reduction of the duty on iron ore and lumber, which was ordered to lie on the table.

He also presented a memorial of the Y. T. and F. Club, of Menasha and Neenah, Wis., remonstrating against the proposed increase of the duty on cotton, woolen and silk goods, hosiery, gloves, and sugar, which was ordered to lie on the table.

He also presented a petition of Typographical Union No. 23, Allied Printers' Union, of Milwaukee, Wis., praying for a reduction of the duty on wood pulp and paper, which was ordered to lie on the table.

He also presented a petition of the Common Council of Portage, Wis., praying for the improvement of the levee along the north bank of the Wisconsin River at that city, which was referred to the Committee on Commerce.

He also presented a resolution adopted by the Commercial Club of Mineral Point, Wis., relative to the duty on zinc ore, which was ordered to lie on the table.

Mr. FRYE presented petitions of sundry citizens of Stetson, Me., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RICHARDSON:

A bill (S. 2265) to provide for the purchase of a site and the erection of a public building thereon in the city of Smyrna, Del.; to the Committee on Public Buildings and Grounds.

By Mr. STEPHENSON:

A bill (S. 2266) granting a pension to Maria Shannon; and

A bill (S. 2267) granting a pension to Cassius W. Andrew; to the Committee on Pensions.

By Mr. BURTON:

A joint resolution (S. J. R. 33) relating to the provisions of section 10 of the sundry civil act of March 4, 1909; to the Committee on Commerce.

By Mr. BEVERIDGE:

A joint resolution (S. J. R. 34) disapproving a certain law enacted by the legislative assembly of the Territory of New Mexico (with the accompanying papers); to the Committee on the Judiciary.

AMENDMENT TO THE TARIFF BILL.

Mr. NELSON submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

THE TARIFF.

The PRESIDENT pro tempore. The morning business is closed. The calendar is in order. The Secretary will announce the first bill on the calendar.

The bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, was announced as first in order, and the Senate, as in Committee of the Whole, resumed its consideration.

Mr. BORAH. Mr. President, recurring briefly to the particular subject which was under discussion last evening, I referred to the manner in which the "Pollock case," so called, was presented to the court. I went no further than to state at the time that it was in the nature of an agreed case between the stockholders and the corporation, and that it seemed conclusive that the Supreme Court, as a matter of fact, had not jurisdiction of it. I desire to call attention very briefly to an excerpt or two from the opinion and from the statement of counsel for the purpose of putting myself correctly in the RECORD with reference to that matter before going to the other subject. I quote first from Mr. Carter's brief. It says:

It admits by its demurrer to the bill that, unless restrained by the process of injunction, it will, in accordance with the requirements of the law, make the prescribed returns and pay the tax. Outside of this bill it admits, and indeed asserts, this determination; and if those circumstances constitute any reason why a court of equity should take jurisdiction of the case and listen to argument upon the questions which are raised, then there is some support for the equity jurisdiction invoked by the complainant.

This argument was referred to yesterday as a model, and no one would contend for a moment that the learned counsel who made it was not capable of making a powerful argument. But I call attention to the fact that the counsel in his statement does not commit himself as a lawyer to the proposition that the court had jurisdiction of the controversy. He says:

And if those circumstances constitute any reason why a court of equity should take jurisdiction of the case and listen to argument upon the questions which are raised, then there is some support for the equity jurisdiction invoked by the complainant.

The court in passing upon the matter at page 554 of the opinion says:

The objection of adequate remedy at law was not raised below—

where the case was presented entirely by counsel representing the corporation and the stockholders—

nor is it now raised by appellees, if it could be entertained at all at this stage of the proceedings; and, so far as it was within the power of the Government to do so, the question of jurisdiction, for the purposes of the case, was explicitly waived on the argument.

Mr. Justice White, in referring to this matter at page 609 of the opinion, says:

The act of 1867 forbids the maintenance of any suit "for the purpose of restraining the assessment or collection of any tax." The provisions of this act are now found in Revised Statutes, section 3224.

The complainant is seeking to do the very thing which, according to the statute and the decisions above referred to, may not be done. If

the corporator can not have the collection of the tax enjoined, it seems obvious that he can not have the corporation enjoined from paying it, and thus do by indirection what he can not do directly.

* * * * * * *

The rule which forbids the granting of an injunction to restrain the collection of a tax is founded on broad reasons of public policy and should not be ignored. In Cheatham *v.* United States (92 U. S., 85, 89), which involved the validity of an income tax levied under an act of Congress prior to the one here in issue, this court, through Mr. Justice Miller, said:

"If there existed in the courts, state or national, any general power of impeding or controlling the collection of taxes or relieving the hardship incident to taxation, the very existence of the Government might be placed in the power of a hostile judiciary. (Dows *v.* The City of Chicago, 11 Wall., 108.) While a free course of remonstrance and appeal is allowed within the departments before the money is finally exacted, the General Government has wisely made the payment of the tax claimed, whether of customs or of internal revenue, a condition precedent to a resort to the courts by the party against whom the tax is assessed. In the internal-revenue branch it has further prescribed that no such suit shall be brought until the remedy by appeal has been tried; and, if brought after this, it must be within six months after the decision on the appeal. We regard this as a condition on which alone the Government consents to litigate the lawfulness of the original tax. It is not a hard condition. Few governments have conceded such a right on any condition. If the compliance with this condition requires the party aggrieved to pay the money, he must do it.

It will be observed from the reading of the record in this case, as I said, that there was an attempt on the part of those interested in the controversy to do what they could toward waiving the jurisdiction of the court. The court refers to it in the opinion as having been waived so far as it could be and the dissenting opinion calls attention to the fact that it is the first time in the history of the court that they have ever entertained an injunction suit to restrain the Government in the collection of a tax. I call attention to that for the purpose of extending it in the RECORD.

Mr. President, the sole arguments against an income tax have consisted of two propositions, first, those who contend that the economic definition of an income tax is the proper definition, and, second, those who contend that the language of the Constitution itself, taken in connection with the history of the times, discloses that the framers intended to extend the phrase "direct taxes" to all property, personal and real, and the income therefrom.

The economic definition, or the definition given of direct taxes by the economic writers, was a tax which could not be shifted, a tax which must be paid by those against whom it is laid, a tax which must be responded to by the property upon which the charge is made, and which could not be shifted to property or to someone else other than the party against whom the tax was laid. This was illustrated in the Hylton case in the particular statute which was involved. There the tax was laid in one clause of the statutes against the carriage which was used personally by the proper party owning it, and, secondly, carriages used for hire. In one instance the owner must necessarily pay it. In the other instance the owner might transfer the charge to the party who paid for the use of the carriage. That illustrates the difference between a direct tax and an indirect tax as defined by the economic writers.

This is one of the contentions which has been made in regard to an income tax or the definition of a direct tax from the beginning of the discussion of this matter. It was presented in the first place in the Hylton case. It was re-presented in Seventh Wallace in the Pacific Insurance case. It was re-presented in Eighth Wallace in the Veazie Bank case. It was re-presented in Scholey *v.* Rew in Twenty-third Wallace, and re-presented again in the Springer case. In all these different briefs, which were filed by able counsel, this particular proposition was amplified and urged. It was contended that the framers of the Constitution being familiar with Smith and Turgot and the other economic writers as to what they considered an income tax or a direct tax had followed the definition given by those writers.

This proposition was specifically answered by Chief Justice Chase in the Veazie Bank case. Chief Justice Chase, in passing upon the income tax in that decision, took up specifically the proposition of an economic definition and answered it, and contended that the framers of the Constitution were not controlled by that definition.

It was, therefore, a proposition which had been presented from the beginning. It was not new to the court in the Pollock case. It was as old as the argument upon this question from the start. But it was revived in the Pollock case and re-presented to the court with much ability, and unquestionably was taken and accepted by the court as a controlling factor in the determination of the proposition.

It has been said, since the Supreme Court has come to pass upon other questions in connection with taxation, that it was not a direct and controlling factor in the income-tax decision. And therefore I beg the indulgence of the Senate for a moment while I call attention to the opinion of the court—both the opinion of the court and the dissenting opinion—to show that the Supreme Court accepted, to a considerable extent at least, that proposition which had been rejected for a hundred years, reaching a conclusion at last that it was the economic definition which controlled the framers in the making of the Constitution to some considerable extent at least.

Mr. RAYNER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Maryland?

Mr. BORAH. I do.

Mr. RAYNER. Has the Senator observed the language of Chief Justice Chase in Veazie Bank *v.* Fenno, that he just referred to? Let me read a few lines:

Much diversity of opinion has always prevailed upon the question, What are direct taxes? Attempts to answer it by reference to the definitions of political economists have been frequently made, but without satisfactory results. The enumeration of the different kinds of taxes which Congress was authorized to impose was probably made with very little reference to their speculations. The great work of Adam Smith, the first comprehensive treatise on political economy in the English language, had then been recently published; but in this work, though there are passages which refer to the characteristic difference between direct and indirect taxation, there is nothing which affords any valuable light on the use of the words "direct taxes" in the Constitution.

Then he goes on to say:

What does appear in those discussions, on the contrary, supports the construction. Mr. Madison informs us that Mr. King asked what was the precise meaning of direct taxation, and no one answered.

That was Rufus King, in speaking of a definition of a direct tax. Rufus King rose in the convention and asked what direct taxes were. There sat Madison and Hamilton and Martin and Pinckney and all the rest of the great lawyers of that day, and no one answered him.

What I want to ask the Senator is this: Does the Senator think that at the time that provision was put in the Constitution there was any accurate definition of what direct taxes were? I am just asking the question, not to interrupt the Senator or by way of any opposition to what the Senator says.

Mr. BORAH. I am aware, Mr. President, that there are those who believe that the framers of the Constitution did not know the meaning of the language that they were using in the great charter which they were making. I am not of that faith. I believe that the fathers, when the history of the surrounding circumstances is closely studied, will be found to have known and understood precisely the definition of the phrase "direct taxes," and that especially would the careful makers of that great instrument have refrained from putting into the Constitution a phrase which was ambiguous after their attention had been called to the fact that it was ambiguous.

I believe, on the other hand, the mere fact that the question of Mr. King was not answered was a mere incident in the discussion. It does not indicate for a moment that those who used the phrase did not, as a general rule, understand precisely how it was being used.

I think I will show before I go very much further that Mr. Hamilton, to whom reference was made, did understand and had a direct and definite idea of the meaning of direct taxes; that he explained at the time in his own proposition which he submitted to the convention; that while there might have been those in the convention who did not have a definite or specific idea sufficient to express it, yet as a consensus of opinion in the convention it was very well and very thoroughly understood.

Mr. SUTHERLAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I do.

Mr. SUTHERLAND. The statement is made in the Madison papers, to which the Senator from Maryland has called attention, that Rufus King asked the question, What is a direct tax? I think the question, though, was What is direct taxation? Perhaps there is no difference. Evidently the question challenged the attention of the convention, because Madison goes on to say that no one answered it, and he seems to attach some importance to that fact. If I understand the position of the Senator from Idaho, it is that direct taxes are of two kinds, and two only, namely, a capitation tax and a land tax.

Mr. BORAH. And the improvements of land.

Mr. SUTHERLAND. Well, that amounts to the same thing—a capitation tax and a land tax. The question I desire to submit to the Senator is this: If that was within the intention of the framers of the Constitution, and if the answer to the question "What is a direct tax?" was so simple as the Senator from Idaho now seems to think it is—namely, that it was only a capitation tax and a tax upon land—is it not a little remarkable that somebody did not answer him?

Mr. BORAH. I do not look at it in that way. I think the simplicity of the thing makes it more plain as to why they did not answer it—because of the fact that it might not have been

regarded as a matter of serious contention and of debate. I might ask the question here as to what is an excise tax. A man would know in a moment what the general idea was, but it would take him three hours to tell what it was, in view of all the decisions of the courts upon the matter. It might be true, with reference to that situation, that they had a general and even a definite idea as to what they understood the definition to be, but no one considered it essential to define it precisely; or it might have been due entirely to the exigencies of debate, the matter being asked in a casual way and urged aside by other matters.

Another thing: The framers of the Constitution did not spend any time in making precise definitions of the exact terms which they used. It has been commented upon by such men as Marshall and other writers on the Constitution time and time again that they were not there making a dictionary of political science or political words or law terms; that they were framing a general law for a general government, which they expected to be construed in a general way to meet the conditions and emergencies which should arise in the future, and never in a technical way.

I will come more directly, however, to that in a few moments, when I come to discuss the actual debate which took place with reference to this precise clause.

When I come to that debate we will find out that a definition was given in a general way and that the facts and circumstances surrounding the discussion point without any question to the exact understanding of the framers. It has been said time and time again that very little took place in that convention. Not a great deal did take place, but enough took place to show precisely what they understood by direct taxation.

I was saying that this idea of a shiftableness of the tax had been presented many times to the court and was re-presented in the Pollock case. I further stated that since the Pollock decision it has been said, in view of the necessity of leaning away from it again, that it was not controlling in that case. I want to call attention to the language of the court in the Pollock case:

> The first question to be considered is whether a tax on the rents or income of real estate is a direct tax within the meaning of the Constitution. Ordinarily all taxes paid primarily by persons who can shift the burden upon some one else or who are under no legal compulsion to pay them are considered indirect taxes; but a tax upon property holders in respect of their estates, whether real or personal, or of the incomes yielded by said estates, and the payment of which can not be avoided, are direct taxes. Nevertheless it may be admitted that although this definition of indirect taxes is prima facie correct and to be applied in consideration of the question before us, yet that the Constitution may bear a different meaning and that such meaning must be recognized.

They proceed to discuss the other feature of it. Again the court said, in the majority opinion:

> The Federalist demonstrates the value attached by Hamilton, Madison, and Jay to historical experience and shows they made a careful study of many forms of government. Many of the framers were particularly versed in the literature of the period—Franklin, Wilson, and Hamilton, for example. Turgot had published, in 1764, his work on taxation and in 1776 his essay on the formation and distribution of wealth, while Adam Smith's Wealth of Nations was published in 1776.

All leading up to the final conclusion that this was uppermost in the minds of the framers of the Constitution. Again the court quotes approvingly from Mr. Gallatin's works:

> The most generally received opinion, however, is that by direct taxes in the Constitution those are meant which are raised on capital or revenue of the people; by indirect, such as are raised on their expense. As that opinion is in itself rational and conformable to decision which has taken place on the subject of the carriage tax, and as it appears important for the sake of preventing future controversies which may be not more fatal to the revenue than the tranquillity of the Union that a fixed interpretation should be generally adopted it will not be improper to corroborate it by quoting the author from whom the idea seems to have been borrowed. He then quotes from Smith's Wealth of Nations, and continues: "The remarkable coincidence of the clause of the Constitution with this passage in using the word 'capitation' as a generic expression including the different species of direct taxes—an acceptation of the word peculiar, it is believed, to Doctor Smith—leaves little doubt that the framers of the one had the other in view at the time and that they as well as he, by direct taxes, meant those paid directly from and falling immediately on the revenue, and by indirect those which are paid indirectly out of the revenue falling immediately upon the expense."

The court was evidently relying, as the court had always refused to do before, upon this indirect-tax definition as given by the economic writers.

Mr. Justice White, in his dissenting opinion, specifically refers to this fact. He says:

> Now, after a hundred years, after long-continued action by other departments of Government, and after repeated adjudications of this court, this interpretation is overthrown and Congress is declared not to have the power of taxation, which may at some time, as it has in the past, prove necessary to the very existence of the Government. By what process of reasoning is this to be done? By resort to theories in order to construe the word "direct" in its economic sense instead of in accordance with its meaning in the Constitution, when the very result of the history which I have thus briefly recounted is to show that the economic construction of the word was repudiated by the framers themselves and has been time and time again rejected by the court.

Again Mr. Justice White says:

> It seems evident that the framers, who well understood the meaning of this word, have thus declared in the most positive way that it shall not be so construed in the sense of Smith and Turgot.
>
> The argument, then, it seems to me, reduces itself to this: That the framers well knew the meaning of the word "direct;" that so well understanding it, they practically interpreted it in such a way as to plainly indicate that it had a sense contrary to that now given to it in the view adopted by the court; although they thus comprehended the meaning of the word and interpreted it at an early date, their interpretation is now to be overthrown by resorting to the economists whose construction was repudiated by them.

Mr. Justice Brown says in his dissenting opinion in regard to the shiftableness of the tax:

> By resurrecting an argument that was exploded in the Hylton case, and has lain practically dormant for a hundred years, it is made to do duty in nullifying not this law alone, but every similar law that is not based upon an impossbile theory of apportionment.

Mr. Justice Harlan also, in his dissenting opinion, calls attention to the fact that this economic definition which had been urged upon the court for so many years and rejected had been called into life for the purpose of overturning the decisions of the court of a hundred years, and I think we may reasonably conclude that whatever may be said, in view of the later decisions, the Supreme Court of the United States interwove into the argument and into the decision as an elementary fact in the decision the economic definition of a direct tax.

Now, Mr. President, what has become of that definition since the income-tax decision? I think I will show in a few moments—and I do not propose to take up the time of the Senate to read authorities—that that definition, strong as it was in that case, controlling as it was in reaching a conclusion, has, by the unanimous opinion of the Supreme Court, so far as this particular point is concerned, been swept entirely away and rejected in toto, as it had been for a hundred years before the Pollock case.

The first inheritance-tax case which went to the Supreme Court for consideration was the case of the United States *v.* Perkins. It came up from the State of New York. It involved the constitutionality of the inheritance-tax law of the State of New York.

A citizen of the State of New York, having died, left a part of his property to the Government of the United States. The question was raised that it was not within the power of the State to tax property belonging to the Government, which is true, and that it was not within the power of the State to tax the right of the Government to take property, which is true.

Therefore the Supreme Court was confronted with the proposition of meeting that which had been settled so long, that you could not tax the property of one sovereignty by the action of another, and that the instrumentality of one government can not be embarrassed and taxed by another. This property which had been left to the Government was to be subjected to the tax, or at most the right to take the property was to be subjected to the tax. The Supreme Court said that it was not a tax upon the legacy itself after it had become the property of the United States, but it was a tax upon the property before it was distributed to the United States. That it, the property, came to the Government diminished of the tax.

If that is true, Mr. President, what becomes of the economic definition of the shifting of the tax to some one else? Was if not a direct tax upon the property itself? Could the tax on the property be shifted? Could it be transplanted to some other party to be made to pay the tax? That seems to be conclusive.

Again, in the case of Knowlton *v.* Moore, in One hundred and seventy-eighth United States, the national inheritance tax of 1898, which was a part of the war-revenue act of 1898, came before the court for consideration. Those who accepted the income-tax decision and were at the same time contending against the constitutionality of the inheritance tax presented to the court this proposition:

That the income-tax decision rested upon the proposition that that was a direct tax which could not be shifted, and that that was an indirect tax which could be. If that was true, the inheritance-tax law of 1898 must necessarily go out. But the Supreme Court in that case, by a unanimous opinion of the court so far as this particular point is concerned, took up the proposition of this economic definition of a direct tax and rejected it, as it had consistently and without a dissenting voice done for a hundred years before the Pollock case.

So far as this proposition, which had such an important bearing in the Pollock case, is concerned, there can be no possible doubt but what it has been swept away entirely by the unanimous opinion of the Supreme Court of the United States. They have said once and for all that that argument which was presented in the Hylton case, which was presented in the Pacific Insurance case, and the Springer case, and which was rejected,

is by this court rejected again, although no man can read the income-tax decision and not conclude that it was a controlling and elementary proposition in the determination of that case.

In my opinion the presentation of this matter on that one fact alone to the Supreme Court of the United States is warranted in view of the subsequent decisions.

Mr. SUTHERLAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I do.

Mr. SUTHERLAND. Does not the Supreme Court in the Knowlton case distinguish that case from the Pollock case and say in the Knowlton case that an inheritance tax was not a tax upon the property but a tax upon the devolution of property? Let me ask the Senator whether or not he sees any difference between a tax of that character, upon the devolution of property, and a stamp duty upon a deed? The Senator will concede that we have no power under the Constitution to impose a tax upon land unless by the rule of apportionment. Yet I take it the Senator will also concede that we have power to impose a stamp duty on the deed by which the title was presented.

Mr. BORAH. Mr. President, I am aware the Supreme Court distinguished the Knowlton case from the income-tax case, but that was on another subject entirely. That was not with reference to the economic definition of the tax. They did not distinguish upon that proposition. They took that up bodily, met it, and rejected it. The distinction came when they came to deal with the question whether the tax was upon the property or upon the right to take property, which I will come to later. I may say in passing that I am not discouraged when I find the court distinguishing a case, because it seldom overrules and quite often distinguishes. It distinguished the Hylton case; it distinguished the Pacific Insurance case, the Scholey case, and the Springer case. Yet I think there is no doubt in the mind of any man in the world but what it specifically overruled all those cases in the Pollock case; it was called "distinguishing."

Now, I propose to show briefly, Mr. President, with reference to the historical definition of the tax, having passed from the economic definition, that, in the first place, it had no basis as to historic fact; in the second place, that it also was rejected by numerous decisions of the Supreme Court of the United States; and thirdly, that while it was controlling in the Pollock case, it also has been, in my judgment, although not specifically, I am frank to admit, rejected by the Supreme Court since the Pollock case. The historic definition, as I said a few moments ago, is based upon the proposition that the direct-tax phrase of the Constitution, taken in connection with the historic circumstances and facts which surround it, show that the framers of the Constitution understood by a direct tax a tax upon all kinds of property—personal, real, and the income therefrom. Those who oppose that view contend that the historic definition shows that they had in mind alone the tax upon persons, or a capitation tax, and a tax upon land.

I desire to call attention to the language of the Constitution, in order that we may have it before us for the purposes of the discussion:

> SEC. 8. The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defence and general welfare of the United States; but all duties, imposts and excises shall be uniform throughout the United States.
>
> * * * * * * *
>
> No capitation, or other direct, tax shall be laid, unless in proportion to the census or enumeration herein before directed to be taken.
>
> * * * * * * *
>
> No tax or duty shall be laid on articles exported from any State.

It is conceded, looking at the language alone for a few moments, by all commentators upon the Constitution, and it has been stated by the Supreme Court of the United States time and time again, that it was in the purpose of the makers of the Constitution to grant full and plenary power to the National Government to lay taxes. It was intended that the National Government should have complete power to tax every person and every species of property within its wide and broad domain. There can be no question about that.

It is true that the convention provided two rules by which it should be done, by the manner in which the tax should be laid; but the power to lay taxes was complete and full, and intended to cover all persons and property within the wide domain, wherever they might be found. Those men who had had experience with the Articles of Confederation, who had had experience with drawing upon the States for their sustenance, did not propose to have the National Government shorn of any of its power to lay taxes upon all the property which it had within its control or in its dominion. And yet they say to us, Mr. President, that the makers of the Constitution, who intended to give to the National Government the power to lay taxes fully and completely, then prescribed a rule which destroys the power which they intended to grant, because it is conceded that if you can not lay taxes upon the income from real estate and personal property, except by apportionment, it is a practical impossibility, and that they have prescribed a rule which destroys the power that they fully intended to grant to the General Government.

That of itself upon the face discloses that the framers of the Constitution did not intend by direct taxes that which could not be apportioned. They said direct taxes should be apportioned. They intended to give a full power to tax. They intended to give a practical power to tax, and to give a tax which would be equitable and just, and yet in the next breath you say to us that they have prescribed a rule which makes it impracticable, impossible; in fact, unjust and incapable of apportionment.

Mr. Chief Justice Marshall said many times that we should give to the language contained in that great instrument a reasonable and practical construction.

The English statutes and the English law for a hundred years prior to the adoption of the Constitution of the United States had made the distinction in their statutes and in their laws which is made to a very large extent in the Constitution of the United States. We use the word "duty" to-day in common parlance as applying to a charge laid upon goods which are brought into this country, but for a hundred years in the old ancient statutes and in the English law the word "duty" covered every kind of charge or tax which was laid upon property other than that charge which was laid upon real estate. If you will recur to your old Blackstone you will find that Blackstone in defining taxes refers to the charge which was laid upon land, and when he refers to the other charges upon property, personal property, houses, incomes, salaries, offices, windows, and every species of personal property which was taxed, it is referred to invariably as a duty.

It is much more reasonable to assume that the framers of the Constitution, thirty-one of whom were lawyers, were controlled and influenced by this usage of a hundred years than that they were controlled by an economic definition of a new writer upon a dismal subject, which was at that time receiving very little consideration at the hands of the general public.

You remember that Edmund Burke, in his great speech upon conciliation with America, said that some of the most profound lawyers of the English-speaking tongue were found at that time in the English colonies of America. He said, furthermore, that it was disclosed by the bookstores of London that more copies of Blackstone were sold in America at that time than were sold in London or in England. Governor Gage, the governor of Massachusetts, said in one of his messages across the water: "I have a government of lawyers; the people are lawyers; they are familiar with your statutes; they know your laws better than you know them yourself."

And he complained that they had found technicalities by which they had evaded the laws which were drawn by the best English lawyers. These men were entirely familiar—not only the makers of the Constitution, but their constituents and the people generally—with the English statutes. They knew the phrases which had been used and were in common use.

Let me call your attention to a few extracts on that subject, and I might call your attention to more. Blackstone referred to taxes and duties as follows, not using his exact language, but speaking from memory:

Taxes charge on land, duty, everything else—houses, windows, improvements on real estate, and all kinds of personal property, on servants, coaches, horses, offices, and salaries.

These taxes were incorporated in the act of 1867, which referred to them as "taxes" and duties.

The title of the act of 1703 was as follows: "An act granting aid to Her Majesty by land tax, etc." This was made perpetual in 1798, and was still called a "land tax." The other form of taxes which were assessed were invariably referred to in the statutes as "duties." Thus in 1696 we have an act for granting to His Majesty several rates or duties upon houses. In 1796 we have the terminology for repealing the several duties upon houses, windows, and lights, and another for establishing a uniform duty on dwelling houses. We have also a statute referring to duties on coal, cinders, and so forth. Then we have the tax law of the elder Pitt in 1758 "for granting to His Majesty several rates or duties upon offices, pensions, houses, etc."

These words had well-defined meaning in the English law and were familiar to the framers of the Constitution.

Lands were the only basis of direct taxes in the States at the time of the adoption of the Constitution.

In that connection, too, and as a part of the historic facts leading up to the adoption of the Constitution, we ought to look for a moment at the Articles of Confederation.

Mr. SUTHERLAND. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I do.

Mr. SUTHERLAND. Before the Senator leaves the question of the discussion of English writers, I understand he is referring to those authorities for the purpose of attempting to establish that an income tax is not a direct tax. Am I correct in that?

Mr. BORAH. I was referring to those authorities to show that when the fathers referred to taxes, they referred to taxes upon land; and when they referred to duties, they referred to taxes upon all personal property.

Mr. SUTHERLAND. For what purpose does the Senator refer to the English writers—for the purpose of showing that an income tax is not a direct tax, or for some other purpose?

Mr. BORAH. I was referring to the English writers for the purpose of showing that they made the distinction in this way: That when they referred to charges imposed by the Government upon land, they called it a tax; and when they referred to a charge imposed by the Government upon all personal property and income and such things, they called it a duty. Therefore the fathers might very aptly have used the word "duty" in the Constitution as covering the same class of taxes which the English writers have covered.

Mr. SUTHERLAND. Does the Senator think that these English writers bear out his contention that an income tax is not a direct tax?

Mr. BORAH. I think that the English authorities bear out specifically what I have said—that they referred to a charge upon all kinds of property except real estate as a duty.

Mr. SUTHERLAND. The Senator does not answer my question.

Mr. BORAH. I answer your question precisely.

Mr. SUTHERLAND. Let me put it again. Does the Senator think that the English authorities to which he has referred bear out his contention that an income tax is not a direct tax?

Mr. BORAH. Mr. President, I have not cited these authorities with reference to that proposition specifically, and I am not citing them with reference to that proposition. If the Senator will understand me, I will state again that the framers of the Constitution used the word "duty" and the word "tax" in the sense of the English statutes and English law. In the sense they used those words "duty" covered everything except taxes upon land, and "taxes" covered land.

Mr. SUTHERLAND. Let me put the question in a different way, then. Does the Senator think that the position of the English writers prior to the adoption of the Constitution was that an income tax was not a direct tax?

Mr. BORAH. I never ascertained that prior to that time they had that imposition on them. I have ascertained that after that time somewhat, pretty nearly seventy years, they referred to it as a direct tax.

Mr. BAILEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Texas?

Mr. BORAH. I do.

Mr. BAILEY. Permit me to say that the English income tax was first levied after our Constitution had been adopted.

Mr. SUTHERLAND. I am quite aware of that fact, and was just about to refer to it. The income tax was levied in England after our Constitution was adopted, and it was called by the English Parliament and by the English courts a direct tax.

Mr. BORAH. Yes; that was after our Constitution was adopted.

Mr. SUTHERLAND. The point to which I desire to call the Senator's attention is that the English Parliament and the English courts, with all of these English authorities before them, held that the income tax was a direct tax.

Mr. BAILEY. Will the Senator from Idaho permit me?

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Texas?

Mr. BORAH. Certainly.

Mr. BAILEY. The Senator from Utah must know that the practical construction, however, of that income tax was that a tax on the income upon a security was not a tax on the security itself; in other words, the government obligations had been issued to be free of taxes, and when the younger Pitt came to raise revenue he contended that a tax on an income was not a tax on the obligation itself, and he levied it accordingly in the face of the exemption of the obligation from that tax.

Mr. SUTHERLAND. But what the Senator from Texas [Mr. BAILEY] has stated does not alter what I have said, namely, that the English Parliament and the English courts have uniformly held that an income tax was a direct tax.

Mr. BAILEY. I understand, Mr. President; but I made the rejoinder to the Senator for the purpose of showing that the authorities he has quoted still sustain the Senator from Idaho [Mr. BORAH], because they hold that the tax on the income of a subject is not a tax on the subject itself, and, if they are right, then a tax on the income of land is not equivalent to a tax on the land itself.

Mr. BORAH. Mr. President, I shall now refer to the Articles of Confederation. We find in the eighth article of confederation this statement:

> All charges of war and all other expenses that shall be incurred for the common defense or general welfare and allowed by the United States in Congress assembled shall be defrayed out of the Common Treasury, which shall be supplied out of the several States in proportion to the value of all lands within each State granted to or surveyed for any person, as such land and the buildings and improvements thereon shall be estimated according to such mode as the United States in Congress assembled shall from time to time direct and appoint.

The Articles of Confederation, of course, can play very little part in our conception of that situation as we view it to-day; but they were an important matter in the minds of those men met for the purpose of framing the Constitution. There were many men met in that convention who believed that it would be sufficient to rearrange the Articles of Confederation, granting more power, and let the matter stand precisely as it was. In these articles we find the same expression of sentiment with reference to the manner in which they should collect taxes, which they deemed at that time a levy upon the States, and that was by a levy upon land. It is not, of course, conclusive, but one of the incidents, the facts, and the circumstances surrounding the situation. Mr. Hamilton, in his constitutional plan which he submitted to the convention, said:

> Taxes on lands, houses, and real estate and capitation taxes shall be apportioned in each State upon the whole number of free persons, except Indians, etc. (Art. 7, sec. 4.)

Here is certainly a very clear statement of what one of the leading spirits of that convention understood by the phrase "direct taxes." "Taxes on lands, houses, and real estate and capitation taxes" should be apportioned, in the view of Mr. Hamilton.

Mr. SUTHERLAND. But the convention rejected that.

Mr. BORAH. I maintain, Mr. President, that that convention did not reject it. The language was changed, but the principle which was therein enunciated was the exact principle which the convention adopted, although, I repeat, they changed the language. In the Federalist Mr. Hamilton says, referring to taxes:

> Those of direct kind (referring to taxes), which principally relate to land and buildings, may admit of a rule of apportionment. Either the value of the land or the number of the people may serve as a standard.

Now, Mr. President, this leads us up to the convention. What happened in the convention? Upon the 3d of July, 1787, the convention took up in earnest the question of representation. The grand committee accepted as a basis of compromise Doctor Franklin's proposition, that they should have one representative for every 40,000 people; that each State should have an equal vote in the Senate; and that all bills for revenue and appropriation should originate in the House of Representatives. The discussion ranged from the 3d of July until the 12th. Some were in favor of apportionment upon the basis of numbers; some upon the basis of property or wealth. Finally there arose in the convention this discussion, coming particularly from South Carolina and Georgia, that they desired sufficient representation to prevent an unnecessary burden being placed upon their slaves in the way of taxes and upon the vacant and unoccupied lands of the South. More than one thing entered into this question of representation, but one of the controlling propositions in the convention, and one which disturbed it, was upon the part of the South endeavoring to protect their slaves against an unnecessary burden of taxation by reason of the sentiment of the North, and of laying an arbitrary value upon land which would be unfair to the vacant and unoccupied lands of the South.

There is one thing that we ought not to forget here in this discussion, and that is that the agitation upon the slavery question at the time of the meeting of the convention was the most severe that occurred at any time until the abolition movement began, years after the Constitution was framed. It is said that the English, who had for a time stopped in New York and other portions of the country, had started a propaganda, which led to the agitation throughout the colonies with reference to the freedom of the slaves. An antislavery society had just been organized in New York, of which Alexander Hamilton had been made secretary and of which Jay and Livingston were active members; and Doctor Franklin had just been made president of an antislavery society in Pennsylvania. And it will be remembered

that the good old Quakers of Pennsylvania appeared before Congress from 1783 to 1787, petitioning Congress to abolish slavery, and upon the very day and in the very week that the convention met in Philadelphia for the purpose of framing the Constitution the Presbyterian synod met and were discussing the question of abolishing slavery, and they passed a resolution to that effect, and the people of Pennsylvania sent a petition to the Constitutional Convention itself asking for the abolishment of slavery; which petition, however, was not presented.

Mr. BACON. Mr. President, I should like to ask the Senator a question.

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Georgia?

Mr. BORAH. Certainly.

Mr. BACON. How many States at that time had the institution of slavery?

Mr. BORAH. Practically all.

Mr. BACON. That is the fact; but I think Massachusetts was probably an exception.

Mr. BORAH. It is true as to practically all, but I think the Senator will agree with me, from reading the debates of the convention, that the discussion with reference to the matter was from the States of South Carolina and Georgia.

Mr. BACON. That is true. I did not mean to take issue with the Senator. I simply wished to supplement the very important information which he is giving.

Mr. BORAH. Yes; I agree with the Senator that practically at that time slavery very generally extended throughout the States, but it was known that the agitation against it was much stronger in the certain Northern States than in the South.

Mr. BACON. It was anticipated even at that time that the climatic conditions would make a difference in the maintenance of the institution.

Mr. BORAH. Yes. Finally, Mr. President, after the discussion had ranged over the different fields of compromise for several days, upon the 10th day of July, 1787, an incident occurred in the convention which ought not to be overlooked. That was the last day that Lansing and Yates, of New York, appeared upon the floor of the convention. Upon the 10th day of July, 1787, Mr. Lansing and Mr. Yates left the convention floor at the request of the governor of their State, Mr. Hamilton alone remaining, without a vote, however, in the convention. This left the convention solely in control of what, in the minds of the convention, were the Southern States. At last it was suggested—and I think the suggestion came from Mr. Williamson, of North Carolina—that in estimating the slaves three-fifths of a slave should be equal to his master; and Old Virginia, although considered a Southern State, with a united delegation voted in favor of that proposition. It was at that time that South Carolina and Georgia, through their representatives in the convention, stated to the convention that they would not be satisfied with that situation; that, in their opinion, in order to protect their slaves from unjust taxation and their vacant land in the South from arbitrary valuation they should have a representation equal to the Northern States, and in order to have that representation they must necessarily have equal representation for their slaves. Upon the night of the 11th of July, 1787, a debate, heated during the day, was closed by Gouverneur Morris, a delegate from Pennsylvania. He said—I can not quote his exact language, but very nearly: "I am placed in the dilemma of either doing an injury to the Southern States or an injury to humanity, and I prefer to do injury to the Southern States. I am not willing," he said, "to give encouragement to the slave trade by giving them equal representation for the negro." That suggestion at that time was answered by the representatives of South Carolina and Georgia stating that what they desired was equal representation, and that was the only way by which it could be had.

Mind you, up to this time, Senators, there had been no suggestion in that convention as to the apportionment of taxes. And so the night of the 11th of July came and went, and it is conceded to be one of the tragic and eventful nights in the history of that convention. Mr. Mason, of Virginia, said that he could ill be spared from his home, but he was willing to bury his bones in that city before going home without some result. Others lamented the unfortunate situation in which they were placed. Upon the morning of the 12th of July, 1787, Gouverneur Morris came into the convention, and for the first time moved the convention to apportion taxes and representation upon the basis of numbers. This gave protection to the people who were uneasy about the taxation of their slaves and their vacant lands.

Mr. President, what was the obstacle that they were trying to avoid? What was the bone of contention of the southern representatives? The southern representatives were asking for sufficient representation to protect that which they deemed necessary to their interests and prevent excessive taxation on their slaves and arbitrary taxation of lands which were not as valuable as those in the North. When we take into consideration what they were seeking to avoid, is it not reasonable to conclude that when Mr. Morris suggested this he was suggesting relief in regard to those specific matters?

I want to call your attention to a witness who was there and who ought to know, and the language of this prominent member of that convention is borne out in full and complete by the records of that convention.

The provision—

Referring to a direct tax—

The provision was made in favor of the Southern States; they possessed a large number of slaves; they had extensive tracts of territory, thinly settled, and not very productive. A majority of the States had but few slaves, and several of them a limited territory, well settled, and in a high state of cultivation. The Southern States, if no provision had been introduced in the Constitution, would have been wholly at the mercy of the other States. Congress in such case might tax slaves, at discretion or arbitrarily, and land in every part of the Union, after the same rate or measure—so much a head in the first instance, and so much an acre in the second. To guard them against imposition in these particulars was the reason of introducing the clause in the Constitution which directs that Representatives and direct taxes shall be apportioned among the States according to their respective numbers.

That is the language of Mr. Patterson in the Hylton case. He was not only an active member of the convention, as the debate shows, but a participant in this particular debate from day to day from the 3d of July to the 12th of July, when it was finally settled. Will men living a hundred years after those who participated in the debates in that convention, and who knew the point of controversy and the obstacle to be avoided, undertake to pass judgment upon what the framers of the Constitution meant by direct taxes when the participants in the convention have given their own interpretation of the charter?

I speak at all times, Mr. President, with due respect and regard for the great tribunal whose judgments we are reviewing, but I can not understand, in the light of the history which surrounds this phrase and the language of the men who made it and interpreted it, how it could ever have been misinterpreted or misconstrued or how there could be misunderstanding as to what the framers understood direct taxes to mean when they put those words in the Constitution.

Suppose, as the Senator from Utah [Mr. SUTHERLAND] has said, somebody had risen to answer Mr. Rufus King, and had stated that the term "direct taxes" means so and so, would it have been more positive, more conclusive, more binding than the facts of the convention and the language of Justice Patterson, who construed it before the ink was hardly dry with which they wrote the parchment?

Now, Mr. President, suppose we pass the Hylton case for a moment as a decision, and review it as an historic fact only, and very briefly, because it has been enlarged upon by the Senator from Texas [Mr. BAILEY], and I will not undertake to glean where he has harvested. As an historic fact alone, here is a decision rendered a very short time after the Constitution was made, and rendered by some of the men who made the Constitution, because Wilson and Patterson were both active in that debate and participated in this particular debate. Does it not seem that they would have had a clear conception of the purposes and objects of the convention, and can it be conceived that those men knowingly would have given a loose construction to the language or one which was not sustained by the facts in the convention? So, if we view it not as a decision, or quarrel about its being dicta, but simply as an historic fact, it is conclusive to the minds of reasonable men that these men understood precisely what they were doing when they put that phrase into the Constitution—that it was put there to overcome a particular obstacle, and that obstacle was to secure the protection of the slaves from a burden of taxation and arbitrary taxation upon land.

Mr. President, I will now briefly refer to some of the decisions since that time——

Mr. SUTHERLAND. Mr. President, before the Senator leaves the Hylton case, I should like to ask him a question.

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. Certainly.

Mr. SUTHERLAND. In the opinion rendered by Mr. Justice Chase in the Hylton case, this language occurs:

The Constitution evidently contemplated no taxes as direct taxes, but only such as Congress could lay in proportion to the census. The rule of apportionment is only to be adopted in such cases where it can reasonably apply, and the subject taxed must ever determine the application of the rule.

If the Senator will follow on the language that succeeds, he will see that, in the opinion of that justice, the test of what was a direct tax was whether or not it could be fairly apportioned.

Mr. BORAH. Yes.

Mr. SUTHERLAND. Justice Chase says nothing about the reasons which the Senator gives, but puts his conclusion upon what I have stated. I want to ask the Senator whether he agrees with that reasoning of the justice?

Mr. BORAH. I do.

Mr. SUTHERLAND. Then, the Senator thinks that the test of a direct tax is whether or not it can be fairly apportioned?

Mr. BORAH. I think that is one test.

Mr. SUTHERLAND. One of the tests. Let me put this question——

Mr. BORAH. That would be the test if we were viewing it aside from any historic fact surrounding it.

Mr. SUTHERLAND. That, as I understand, is one reason why the Senator thinks a tax upon incomes is not a direct tax, because it can not be fairly apportioned. Let me put this case to the Senator: The Senator agrees that a tax on houses and buildings is a direct tax under the Constitution——

Mr. BORAH. Yes; if they are part of the real estate.

Mr. SUTHERLAND. Suppose that Congress should pass a law providing that all buildings 12 stories in height should pay a tax; would the Senator regard that as a direct tax or an indirect tax?

Mr. BORAH. All buildings over 12 stories high?

Mr. SUTHERLAND. All buildings over 12 stories in height. Would the Senator regard that as a direct tax or an indirect tax?

Mr. BORAH. If they were part of the real estate, I would regard it as a direct tax.

Mr. SUTHERLAND. And yet the Senator must concede that that tax could not be as fairly apportioned as a tax on carriages, because there are comparatively few States in the Union that have many buildings of that character, and some that have none at all. If the Senator concedes that, what becomes of the rule laid down by the court that a direct tax is only a tax which can be fairly apportioned?

Mr. BORAH. Well, Mr. President, I may be dull of comprehension, but, if I am not excessively so, the position of the Senator proves conclusively the contention which I am making here. I may have misunderstood the Senator.

Mr. SUTHERLAND. What did the Senator say?

Mr. BORAH. I apprehend that its impossibility makes it pretty hard to answer.

Mr. SUTHERLAND. I think the Senator intended to use the word "inexpedient." It may not be expedient to lay a tax of that kind, but it is not impossible.

Mr. BORAH. I think it is impossible as a practical fact.

Mr. SUTHERLAND. It is inexpedient to do it.

Mr. BORAH. No; I do not agree with the Senator.

Mr. SUTHERLAND. What I am asking the Senator is, suppose Congress did lay a tax of that character?

Mr. BORAH. Suppose there was a railroad to the moon—I do not know how the engine would get up there—but suppose there was, how would it get up there? [Laughter.]

Mr. SUTHERLAND. The Senator is asking a question that does not seem to have very much application to the case I am putting to him. The Senator thinks that sort of a tax is impossible. Let me put this case: Suppose that Congress should lay a tax upon all buildings with a value exceeding $5,000,000. The Senator, in view of his position that wealth ought to pay the burden of taxation, can not regard that as an impossible case.

Mr. BORAH. I regard it——

Mr. SUTHERLAND. Suppose Congress should levy a tax upon buildings exceeding in value $5,000,000. Such a tax could not be fairly apportioned.

Mr. BORAH. Suppose. I ask the Senator how you would frame a law to do that? Then you get to the practical proposition of it, and that illustrates my position exactly, that the framers of the Constitution intended that a direct tax should be such as could be apportioned, and that which could not be apportioned should be an indirect tax.

Mr. SUTHERLAND. Then, if I understand the Senator's answer, it is that a tax upon buildings exceeding in value $5,000,000 would not be a direct tax?

Mr. BORAH. I do not understand that that would be a practical proposition or apportionable under the provisions of the Constitution.

Mr. SUTHERLAND. If the Senator is satisfied with that answer, I am.

Mr. BORAH. I am exceedingly gratified that I have satisfied the Senator at last.

Mr. President, after the Pollock case was decided, the Supreme Court was called upon a number of times to meet the reasoning of that case in different tax cases. I do not, of course, wish to be understood as saying that the Supreme Court has expressly overruled the income-tax case; but I want to call attention to some matters in connection with later decisions which are worthy of some consideration. Before doing so, however, I want to read a rule which has since been laid down by the Supreme Court with reference to the levy of taxes, which is the right rule and ought to have been laid down before the income-tax decision was rendered. It is found in One hundred and seventy-third United States, where the principles of the income tax were presented to the court in a contest against the validity of a certain tax which it was claimed was a direct tax. The court said:

> The whole power to tax is the one great power upon which the whole national fabric is based. It is as necessary to the existence and prosperity of a nation as is the air he breathes to the natural man. It is not only the power to destroy, but it is also the power to keep alive. * * * The commands of the Constitution in this, as in all other respects, must be obeyed; direct taxes must be apportioned, while indirect taxes must be uniform throughout the United States. But while yielding obedience to these constitutional requirements, it is no part of the duty of this court to lessen, impede, or obstruct the exercise of the taxing power by merely abstruse and subtle distinctions as to the particular nature of a specific tax, where such distinction rests more upon the differing theories of political economists than upon the practical nature of a specific tax, where such distinctions rest more upon the differing theories of political economists than upon the practical nature of the tax itself. In deciding on a tax with reference to these requirements no microscopic examination as to the purely economic or theoretical nature of the tax should be indulged for the purpose of placing it in a category which would invalidate the tax. As a mere abstract, scientific, or economic problem a particular tax might possibly be regarded as a direct tax, when as a practical tax it might quite plainly appear to be indirect. Under such circumstances, and while following a disputable theory might be indulged as to the real nature of the tax, a court would not be justified, for the purpose of invalidating the tax, in placing it in a class different from that to which its practical results would consign it. Taxation is eminently practical, and is, in fact, brought to every man's door; and for the purpose of deciding upon its validity a tax should be regarded in its actual, practical results rather than with reference to those theoretical or abstract ideas whose correctness is the subject of dispute and contradiction among those who are experts in the science of political economy.

I think I need hardly say to lawyers that that rule would have made impossible the decision in the income-tax case, because the income-tax decision at last rests upon the technical proposition that a tax upon incomes is a tax upon the real estate, which is technical in the most technical sense, and which has been, so far as it has ever been considered by other courts, rejected as an unsubstantial technicality.

The inheritance-tax cases proceeded upon two propositions: First, that it is a tax upon the property, or, secondly, it is a tax upon the right to inherit or to take property. I do not care for the purpose of this case whether you consider it as a tax upon the property or a tax upon the right to take property. It is irreconcilable with the proposition laid down in the income-tax decision. If it is a tax upon property, it is a direct tax in view of the income-tax decision. If it is a tax upon the right to take property, it indirectly affects real estate just the same as a tax upon incomes indirectly affects real estate.

For instance, a number of state authorities and the Supreme Court of the United States in Seventeenth Howard said that an inheritance tax was a tax upon the property. Of course if that be true, Mr. President, then it must necessarily, in sustaining that tax, overthrow the reasoning of the income-tax decision, because they are laying a tax directly upon the property itself and it is not shiftable.

Mr. HEYBURN. I should like to suggest, without interrupting the Senator, that the principle of an inheritance tax is a fee for the waiver of the Government to the property. In the absence of law the property would all go to the Government, and it is merely the fee that the Government charges for waiving its right.

Mr. BORAH. The question occurs to me——

Mr. BACON. That could not be the reason in the case of the Federal Government.

Mr. BORAH. No.

Mr. HEYBURN. I beg pardon.

Mr. BACON. I say that could not be the reason in the case of the Federal Government, because the Federal Government could not possibly have any right of escheat.

Mr. HEYBURN. I think it would be the case in regard to the lord of the fee, whomsoever it might be. The principle would not be changed by the fact that it was the Federal Government.

Mr. BACON. If the Senator will pardon me, what I mean is that the principle can not apply in the case of the enactment of a law imposing an inheritance tax by the Federal Government, because the fee does not rest in the Federal Government and

can not rest there, and no power of escheat can possibly reside in the Federal Government.

Mr. HEYBURN. In the absence of law it would rest there.

Mr. BACON. Oh, no; never.

Mr. BORAH. I think my colleague is correct with reference to the state decisions. I think he is incorrect when you come to sustain any national inheritance tax. If there is anything well settled by the decisions of the Supreme Court of the United States, if anything may be considered settled by the precedents of years and years, it is that the Federal Government can not tax the powers of the State or the incidents of that power. When you can not tax the thing, you can not tax the incidents of that thing; and when you can not tax the powers of the State to regulate inheritances, you can not tax the incidents of that power, and we are driven to the position either of overturning that long line of authorities or sustaining the inheritance-tax law upon the proposition that it is a tax upon property.

Mr. HEYBURN. I will merely say, with the permission of the Senator, that it is a tax upon the right to inherit property.

Mr. BORAH. And that is a right which rests alone within the power of the States to regulate, and an incident of that power can not be taxed any more than the right itself.

Mr. HEYBURN. I did not intend to go into the question of the difference of the rule as pertaining to the State and the Federal Government. I merely felt impelled to point out what, in my mind, was the difference between a tax upon property and a tax upon the right to take property.

Mr. BORAH. I understand fully the position of my colleague. But, Mr. President, let us examine that for a moment in the light of the national inheritance tax. I am perfectly aware that the state courts have held, time out of mind, that an inheritance tax is a tax upon the right to take property or the right to transmit property. They have varied as to whether it was the right to take or the right to transmit. But, as said by Mr. Justice White, the right to regulate the inheritance of property is a thing solely within the control of the State, and over which the National Government has no control whatever, and that you can not tax the incidents of that right any more than you can tax the right itself.

For instance, way back in the case of McCulloch *v.* State of Maryland, the Supreme Court of the United States held that you could not tax the stock of a corporation organized for the purpose of performing the functions of government. It said in the case of The Collector *v.* Day that the National Government could not tax the salary of a state officer—not the office, not the right to hold the office, but it could not tax the emoluments of the office; and they held in the case of Dobbins *v.* The Commissioners of Erie County, vice versa, that the state government could not tax the salary of a federal officer. They held in the case of Weston et al. *v.* City Council of Charleston that you could not tax the stock of the Government, for the reason that it was taxing the power of the Government to borrow money. In other words, it is well settled and well established that where you can not tax the thing, you can not tax the incidents or the emoluments or the fruits or the functions of that thing. I say, if it is a power of the State to regulate the right of inheritance, you can not tax that right and you can not tax the incidents of it. You can only tax the property.

I wish to call attention to the language of the Supreme Court upon that to show I am entirely correct. For instance, in sustaining the inheritance-tax law they use this language, by way of illustration, because it was contended there that the tax was unconstitutional, and they said:

> These imports—
>
> Referring to imports—
>
> These imports are exclusively within the power of Congress. Can it be said that the property when imported and commingled with the goods of the state can not be taxed because it had been at some prior time a subject of exclusive regulation by Congress?

Certainly not, and what are you taxing? Can it be said, says the justice, that the property which has been subject to regulation of interstate commerce can not be taxed? Unquestionably it can, but you are taxing the property. You can not tax the right to import goods. You can not tax the right to engage in interstate commerce. You can only tax the property after it has passed beyond interstate commerce.

And again he says:

> Interstate commerce is often within the exclusive regulating power of Congress. Can it be asserted that the property of all persons or corporations engaged in interstate commerce is not subject to taxation by the several States because the Congress may regulate interstate commerce.

Certainly not, but again I say we are not taxing the right to engage in interstate commerce or intrastate commerce, but we are taxing the property which has been subject to it, and when you come to examine that authority in the light of the previous decision you will find that the Supreme Court is sustaining a tax which is laid upon the property itself.

But suppose we pass from that for a moment. Suppose we take the Supreme Court and the decisions upon the proposition that it is the right to lay a tax upon the right to transmit property or the right to inherit property. Is it not a tax indirectly affecting all the property a man inherits? The tax in the income case was not upon the rent. It was upon the income, and yet they said that being upon the income it indirectly affected the real estate. No one contended that it was a direct tax upon real estate, but that it simply indirectly affected the real estate. You take, then, and lay a tax upon inheritances. We will assume for the sake of the argument that it is a tax upon the right to inherit, but it indirectly affects the real estate just as it did in the income-tax decision.

Furthermore, the tax law of 1898, which was sustained, provided that the tax should be laid upon the property and that the tax should be a lien upon the property until it was paid, and yet it was sustained.

But, again, that same law had in it a clause which provided that transfers inter vivos should be taxed. In other words, if I, in contemplation of death, should transfer my property to the Senator from Arkansas, has the state granted any right to do so? Has the state any power over that matter? And yet the Supreme Court has said that that is subject to an inheritance tax, and it can only be sustained upon the theory that it is a tax either upon property or a tax upon permission to die.

But let us view this in another way. We remember the case of Scholey *v.* Rew (23 Wallace). That was an inheritance-tax case. It was sustained in the Supreme Court, and I desire to quote the language of the Supreme Court:

> Whether direct taxes, in the sense of the Constitution, comprehend any other tax than a capitation tax and a tax on land is a question not absolutely decided, nor is it necessary to determine it in the present case, as it is expressly decided that the term does not include tax on income, which can not be distinguished in principle from a succession tax, such as the one involved in the present controversy.

They decided in Twenty-third Wallace that an income tax could not be distinguished in principle from an inheritance tax, and Mr. Justice White, in commenting upon that, says:

> Again in the case of Scholey *v.* Rew, the tax in question was laid directly on the right to take real estate by inheritance, a right which the United States had no power to control. The case could not have been decided in any point of view without holding a tax upon that right was not direct, and that therefore it could be levied without apportionment. It is manifest that the court could not have overlooked the question whether this was a direct tax on land or not, because in the argument of counsel it was said that if there was any tax in the world that was a tax on real estate which was a direct tax that was the one. The court said it was not, and sustained the law. I repeat that the tax there was put directly upon the right to inherit, which Congress had no power to regulate and control. The case was therefore greatly stronger than that here presented, for Congress has a right to tax real estate directly with apportionment. That decision can not be explained away by saying that the court overlooked the fact that Congress had no power to tax the devolution of real estate and treat it as a tax upon such devolution. Will it be said of the distinguished men who then adorned this bench that although the argument was pressed upon them, that this tax was levied directly upon the real estate, they ignored the elementary principle that the control of the inheritance of realty is a state and not a federal function? But even if the case proceeded upon the theory that the tax was on the devolution of the real estate and was therefore not direct, is it not absolutely decisive in this controversy? If to put a burden of taxation on the right to real estate by inheritance reaches only by indirection, how can it be said that a tax on the income, the result of all sources of revenue, including rentals after deducting losses and expenses which thus reaches rentals indirectly and real estate indirectly through the rentals is a direct tax on the real estate itself.

This was the case of Scholey *v.* Rew, decided in 23 Wallace, and the same doctrine was upheld again in the inheritance cases since the Pollock case was decided.

Mr. President, just a word with reference to one phase of this matter, and I will close.

The Supreme Court said in the income-tax case that a tax upon rent was a tax upon real esate. I want to submit a few propositions for the consideration of the Senate upon that matter to see whether or not they are correct.

It will be remembered that this tax was not upon real estate, that the tax was not upon the rent, but it was upon the income which might have come from it, and therefore it was twice removed from the real estate, and it could only be considered after the rent had been earned and collected.

I undertake to say it is well established by the authorities that the transfer of earned rent does not transfer the real estate or any interest in real estate.

That the transfer of real estate does not transfer either the earned and uncollected or the collected rents of real estate.

That the transfers of the rents or incomes from real estate for any limited period of time does not transfer any interest in the real estate.

That the earned but uncollected rent is personal property and has always been so considered and held by the courts.

That collected rent is personal property and has always been so considered and held by the court.

That the earned rents and collected rents have been and are considered and treated and taxed where taken at all in the different States of the Union as personal property.

That in the States where the wife owns her separate property and where community interests arise and are recognized that the rents from real estate, which real estate is her separate property and not liable for the debts of her husband, is held to be personal property and community property and liable for the husband's debts.

That there is no other case to be found in the history of American jurisprudence or in the history of English jurisprudence in which it has been held that a tax upon collected rents is a tax upon real estate.

I challenge successful contradiction to that proposition. The income-tax decision is the Alpha and the Omega upon that proposition. I ask the lawyers of the Senate to present from American jurisprudence or from English jurisprudence a single case which has ever held that a tax upon collected rents is a tax upon real estate. All the authorities which are to be found are the other way, and that is when rents are earned they become personal property, separated and treated as personal property. They do not go to the estate as real estate, and they are not considered in any sense as related to or connected with the real estate. (4 Tex. Civ. App., 483; Tiffany, 778–779; Washburn, sec. 1520; Burden *v.* Thayer, 3 Met., 76; Ball *v.* Co., 80 Ky., 503; Condit *v.* Neighbor, 13 N. J. Law, 83; Earl *v.* Grim, 1 Johns Ch., 494; Fonereau *v.* Fonereau, 3 Atk., 315; Robinson *v.* County, 7 Penn. St., 61; Van Rensellar *v.* Dennison, 8 Barber, 23.)

In concluding, Mr. President, I only wish to say that, in my opinion, this matter could very well be resubmitted to the Supreme Court of the United States upon two propositions, and with all due respect and consideration for that high tribunal: First, upon the facts of history, which have been revealed as to the intent and purposes of the framers of the Constitution, which did not appear to be presented to the court at that time; and, secondly, in the light of the decisions which have been rendered by the court since the income-tax decision. We know one thing conclusively—that one of the controlling factors in the income-tax decision has been, by the unanimous court, rejected. We know another thing as lawyers, and that is that the principles laid down in the income-tax cases are irreconcilable with the principles in the inheritance-tax cases; and it is no challenge to that tribunal for men who are engaged in another department of government, seeking to find their way in the discharge of their solemn duties, to ask that this great question, which involves one of the great national powers, be again submitted to that court for consideration.

I place my advocacy of the income-tax proposition upon a higher plane than that of raising a little revenue for the Government for the next few years. I believe it involves a great constitutional power, one of the great powers which in many instances might be absolutely necessary for the preservation of the Government itself. I believe that the Constitution as construed is the same as granting an exemption to the vast accumulated wealth of the country and saying that it shall be relieved from the great burden of taxation. I do not believe that the great framers of the Constitution, the men who were framing a government for the people, of the people, and by the people, intended that all the taxes of this Government should be placed upon the backs of those who toil, upon consumption, while the accumulated wealth of the Nation should stand exempt, even in an exigency which might involve the very life of the Nation itself. This can not be true; it was never so intended; it was a republic they were building, where all men were to be equal and bear equally the burdens of government, and not an oligarchy, for that must a government be, in the end, which exempts property and wealth from all taxes.

Mr. BRADLEY. Mr. President, the Senator from New York [Mr. ROOT] has asked me to allow him to file some figures with the Senate at this time, and I have agreed to do so.

Mr. ROOT. Mr. President, I wish to put upon the record in immediate juxtaposition with the very admirable and able argument of the Senator from Idaho [Mr. BORAH] some figures, and but a few, which bear upon a subject discussed in a few words here yesterday.

Senators who have had long experience in the courts are sometimes led by the habit of advocacy to state the special propositions upon which they rely a little strongly, a little out of drawing with the facts which should accompany them, and I should be sorry to have go to the country the impression that would be derived from some of the statements made by the Senator from Idaho, standing alone, with regard to the present burden of taxation.

It is not a fact that in this Republic property does not now bear a very great proportion of the burden of taxation. I find, in looking at the precise figures since the little colloquy that took place here yesterday, that in 1902, which is the last year as to which I find complete figures available for comparison, the property in the United States upon which the ad valorem taxes for the support of the Government, county, municipal, and other local governments, were levied amounted at a true value to $97,810,000,000; that ad valorem taxes were levied upon that property at the rate of seventy-four one-hundredths of 1 per cent; that is, in round numbers, three-fourths of 1 per cent; and that would amount in round numbers to the equivalent of an income tax of 15 per cent upon all the property in the United States, assuming an income of 5 per cent, which is a high figure to place upon the income from property. It is a very high figure, because as a matter of fact the owners of real estate generally throughout the eastern States do not expect to receive and do not receive any such income.

In the State of New York, which contains substantially one-seventh of the entire taxable property of the United States, the holders of real estate do not expect to realize more than from 3½ to 4 per cent net. And if you assume those figures for the income, this rate of taxation would mount up to the equivalent of an income tax of between 20 and 30 per cent.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Idaho?

Mr. ROOT. I do.

Mr. BORAH. May I ask the Senator from New York who at last pays the large portion of the real-estate tax in this country, the real-estate owner or the renter?

Mr. ROOT. That is a question of the shifting of taxes, which can be put regarding every tax. The tax is imposed upon the property. It is paid by the owner of the property. Where the final imposition of the tax is, in the ultimate shifting and distribution, is an entirely different question.

Mr. BORAH. But if an income tax was in existence it would tax a part of the income of the man who had shifted it to the renter, would it not?

Mr. ROOT. Oh, yes; there is no doubt about it. But that is not all the tax that is imposed upon property. There are also a great variety of taxes other than ad valorem taxes—taxes upon corporations, taxes in the nature of licenses, taxes for the right to carry on business of various kinds, income taxes, inheritance taxes. The amount of revenue derived from taxes of that kind falling upon the property owners amounts to so great a sum that in the State of New York no taxes levied directly upon real or personal property are any longer necessary for defraying the expenses of the State. I observe that the appropriations of the state legislature in the State of New York at the session which has recently concluded were about $37,000,000.

All of that, Mr. President, will be paid from taxes of the character I have now described other than ad valorem taxes levied upon real or personal property, and the addition of such taxes brings up the revenues of the local divisions of the country to a substantial equality with the expenditures, which I find for the year 1902—that is, the receipts of the States, counties, and municipalities, and other local subdivisions of the country—were $1,156,447,000. That billion one hundred and fifty-six million and more was all raised by taxes levied in the different ways that I have described upon property in the United States, and making the allowance of 5 per cent income, these exactions from property would amount to the equivalent of an income tax of 23 per cent.

So, while my friend the Senator from Texas [Mr. BAILEY] proposes to levy an income tax of 3 per cent, and my friend the Senator from Iowa [Mr. CUMMINS] proposes to levy an income tax beginning at 2 per cent and graded along up to 6 per cent, and while I am not now arguing against the imposition of an income tax, I beg the Senators to remember in their arguments that property in the United States does now bear a tax for the support of government in the United States equal to nearly eight times the income tax that they are proposing to assess upon it.

I submit to the candor of the Senators who have spoken upon this subject and to those who may speak hereafter that it is an erroneous view, and I think a mischievous view, to present to the people of the country, who have not the ready access to statistical data that we have, that the property owners of the United States do not now bear a substantial part of the burdens of government.

Mr. BRADLEY obtained the floor.

Mr. BAILEY rose.

Mr. BRADLEY. I yield to the Senator from Texas, if he desires to say anything.

Mr. BAILEY. A moment only. I will trespass upon the courtesy of the Senator from Kentucky to say this much in reply to what the Senator from New York [Mr. ROOT] has said.

He will not find any statement of mine to the effect that the property of this country does not pay a tax. He will, however, find in more than one place where I have asserted that the property does not contribute to the support of the Federal Government.

The Senator from New York [Mr. ROOT] and the Senator from Massachusetts [Mr. LODGE] both interrupted the Senator from Idaho [Mr. BORAH] yesterday afternoon with this same suggestion. Instead of constituting an argument against an income tax, the statements which they made constitute, to my mind, a strong argument in favor of it. In other words, they have both asserted that in these counties and in these States which are so close to us, and which the people so completely govern, the tax has been laid on property and not on consumption. I perfectly understand that in many States those property taxes have been supplemented, as the Senator from New York now says, by taxes upon corporate franchises and by taxes upon various occupations.

Although it is not pertinent to this discussion, I have no hesitation in declaring that a tax on any useful occupation can not be defended in any forum of conscience or of common sense. To tax a man for trying to make a living for his family is such a patent and gross injustice that it should deter any legislature from perpetrating it.

I do not hesitate to say that every occupation tax in America ought to be repealed, because it is a tribute exacted by sovereignty from a man because of his effort to make a living for himself and his family. I do, however, heartily subscribe to the tax upon corporate franchises, because they are the creations of the State and often possess a tremendous value. A franchise of any corporation is valuable. If it were not, the incorporators would not seek it. The value of many has never yet been measured in dollars. Therefore, when the State creates a corporation and endows it with faculties that are so valuable, it should be taxed. It possesses almost every faculty the citizen possesses with respect to property, and it possesses a faculty not possessed by the citizen and the value of which can not be computed. I mean by this to say that the corporation knows exactly the day that has been appointed for it to die, and it can extend its life indefinitely. It not only possesses that valuable faculty, but most of the States exempt those who own its stock from loss beyond a certain extent. The individual who engages in any business embarks his whole fortune in the enterprise. He is responsible for every dollar of debt contracted, and yet he can only earn what his business nets. On the other hand, the corporation can earn, just as the citizen can, the entire net profits of the business, but it does not stand the same risk of loss; it does not incur the same hazard that the man of flesh and blood incurs. A corporation is permitted to make all that is possible, and yet has a limitation on its losses. That is such a valuable advantage that it is small wonder that States have learned to tax them, and the wonder is that they have not learned it sooner and have not exercised it to a larger extent.

But laying aside these taxes on corporations and corporate franchises and laying aside these taxes upon occupations, the States support themselves almost exclusively by a tax on property and not by a tax on consumption.

Now, why is this? The States were older than the Union, because without them the Union could not have been formed. They antedated it. The people who compose the States must at last be the same people who compose the Union. The States are the elementary condition. In that elementary condition the States deemed it just and wise to lay their taxes on property and not on the appetites and the backs of the American people.

The States take the toll from the people for protection; for the protection given in the cities for fire and police protection; in the States for the protection of the property and personal rights, including the great rights of inheritance, accumulation, and descent. It is for those rights that the State compels the citizen to return a portion of his property, the whole of which the State protects. It compels a portion of it to be returned because it is necessary for the State to spend it in protecting these great, fundamental, and natural rights of every man.

But, sir, does the Federal Government protect no right? A costlier one than any State safeguards. The very men with these colossal fortunes are the ones who travel over the world, and about them they carry the American flag, always for their protection. Go and consult the expenditures of the Government. What does this army and what does this mighty navy, whose ships now vex the waters of every sea, cost the American people? More than $200,000,000 a year to maintain them. This vast sum is spent to protect the rights of American citizens at home and abroad. How few of the men who pay this tax on consumption ever invoke the Government's great power to protect them while they travel in a foreign land! Not one of them in ten thousand, because their lean purses do not permit them to indulge in the luxury of foreign travel. It is the rich and prosperous for whose protection these ships and these battalions are sometimes needed.

But if you do not need them for the rich and powerful who travel in idleness abroad, then you need them to protect the Republic; to protect it from foreign invasion, to protect it from foreign insult. I do not think you need as many ships as you build, nor do I think you need as many soldiers as you enlist. But still you need the nucleus of an army and a navy, and they constitute an enormous expense.

The rights protected by the Federal Government are as essential, and I might almost say as sacred, as those protected by the States. If the States lay the cost of the protection which they afford upon the property of men, why should not the Federal Government do likewise? Why is it more just to compel men to contribute according to their wealth to support the state administration than it is to compel them to support the federal administration?

I go further than the Senator from Idaho has gone. I believe not that wealth ought to supplement a tax which consumption pays, but I believe wealth ought to bear it all. I think it is a monstrous injustice for the law to compel any man to wear a suit of clothes and then tax him for buying it. I think it is not right, when God made us hungry, and in obedience to His law we are compelled to appease our appetite, to charge us because we must keep soul and body together by taking food. I believe that the Government ought no more to tax a man on what he is compelled to eat and wear than it ought to tax him on the water he drinks or upon the air he breathes. I believe that all taxes ought to be laid on property and none of it should be laid upon consumption.

Mr. President, there is one addition to the property tax that I would make. I would compel a man whose earning power from brain exercised in one of the professions or from inventive genius is great to pay on his income beyond a certain point. When a lawyer like the Senator from New York can earn at the bar, of which I am glad to say he is the honored head, $150,000 every year, I think he ought to be made to pay the Government a tax on that earning power, because in taking from him the small tribute which the law exacts we subtract no comfort from his home. I believe that any man in law or medicine or any other employment in life who exhibits an earning capacity far beyond the necessities of his home ought to be compelled to pay the Government which protects him in the exercise of his talents and in the accumulation of this wealth. He ought to be willing to pay, and I am willing that he should be made to pay. But save and except only this earning capacity of talent or of genius, I would lay every dollar's worth of the Government tax upon the property of men and not upon the wants of men.

None of us, except the simple Democrat of the old-fashioned school, have all we want, but many of us have all we need. After we have satisfied our needs, then the Government has a right to take its toll.

But what shall our friends on the Republican side say to us? Did they not ask in the bill as it came from the House that we lay a tax on inheritance? That is worse than laying a tax on income, because it may often happen that even under the inheritance provision as it came from the House, an orphan's education would depend upon the moderate bequest that had been made to him or her.

More than that, the attempt to tax an inheritance is an interference not only with the rights, but with the established policy of the States. Thirty-odd of them, and among them the State of New York, levy an inheritance tax, and many of them derive a handsome revenue from its collection. I think an inheritance

tax is a wise provision of state policy, and I would grade them. But, Mr. President, I forget that the Senator from Kentucky has so courteously yielded to me and I must not trespass further on his time. I will return to the subject perhaps again.

Mr. BRADLEY. I suppose the Senator from Texas, like myself, was so much impressed with the good things he was saying that he forgot he was trespassing on my time.

Mr. President, considering all that has been said upon the income tax this morning, I feel just a little lost in calling the attention of the Senate to another matter foreign to the discussion we have listened to with so much pleasure.

The distinguished chairman of the Finance Committee told us in his opening remarks that the bill which is before us was drawn along the lines of the protective policy. This is true in some respects, while in others the statement is incorrect.

We were told further by the distinguished chairman during this debate when questions were asked as to why given duties had been placed upon certain articles, that it was done to prevent their annihilation. To-day I desire for a short while to call the attention of the Senate to an industry which, situated as it is, is threatened with destruction.

As I understand, in order to carry out the doctrine of protection such a duty should be levied on foreign products, raw and manufactured, which compete with ours as will maintain the wages of American laborers against the cheap, and in some instances degraded, labor of foreign countries and afford a reasonable profit to the American producer or manufacturer. That such a policy in the end cheapens the manufactured article by reason of increased manufacture, increased consumption, improved methods and machinery, and increased home competition has been too often demonstrated to require at this late day any argument.

I am a protectionist in every sense of the word, and would give its benefits to every interest which demands it in order that it may live.

With this well-defined Republican doctrine in view, I desire to call attention to the hemp industry, in which almost every State in the Union is interested if a fair degree of protection is provided.

In order to provide such protection, I propose to amend the present bill by placing a tariff duty of 1½ cents per pound on jute, or "India hemp," as it is sometimes called, and strike it from the free list, where it appears in the present bill.

It has been demonstrated by actual experience in the last five years that hemp may be successfully grown in Pennsylvania, Indiana, Wisconsin, Michigan, Minnesota, Kansas, and we are informed by high and unquestioned authority that it may be successfully grown in limestone soils anywhere in the Mississippi Valley, as well as at many points along the Pacific coast; in fact, in almost every State in the Union.

I exhibit for the information of the Senate photographs of hemp fields in Kentucky, Wisconsin, Indiana, and Pennsylvania, so that those who know comparatively little of the industry may be enabled to see the character of the crop.

Formerly hemp was largely grown commercially in Virginia, Kentucky, and Missouri, but for the last ten years it has been grown commercially only in Kentucky, Nebraska, and California, the greater part of it having been grown in Kentucky.

Jute is an inferior article called "India hemp," and is recommended alone by its cheapness. The articles manufactured from it have no strength or lasting qualities.

The uses of American hemp are many; it may be used in the manufacture of fine twine of great strength—sometimes commingled with flax—up to and including heavy cordage, which is being manufactured at the Charlestown Navy-Yard for use of the navy. For the last two years the Navy Department has consumed nearly 20 per cent of the entire production of double-dressed hemp. The cheapness of the foreign fiber confines the market in hemp to the manufacture of high-grade products, the entire tonnage of which is comparatively small, and hence the outlet for hemp is narrowed to a very small compass. Hence the production of hemp in small quantities is profitable, because of the limited demand for such purposes as no other fiber will supply. But, owing to this fact, the production must be confined to a very contracted limit, for when that market is supplied it can not be used as a competitor of jute in the general market. In order to increase the area of production and make it a great industry a tariff on jute should be levied, so that when the production is increased it will find a ready sale in the general market. My desire is not only to increase production in Kentucky, but in every State in the Union where it may be successfully grown.

There are many manufactured articles for which hemp is especially suited, and if it were produced in sufficient quantities there would be ready demand for it if protected from jute. It makes the best and most durable warp, canvas, and webbing, and is especially fitted for any article where durability and strength are desired.

For the past ten years the area devoted to the cultivation of hemp, owing to existing conditions, has ranged from 12,000 to 20,000 acres. Jute is delivered in the American market at from 1½ to 3½ cents per pound, or at about one-half the price at which imported hemp is delivered. Therefore jute competes with American hemp more directly than genuine hemp fiber imported from other countries.

The cultivation of hemp should be encouraged not only because it benefits the farmer, but the farm as well. It shades the soil, preventing it from the baking effects of the sun, prevents the growth of weeds, loosens the soil, and leaves it in a splendid condition for the succeeding crops. Besides it removes less fertilizing elements from the soil than almost any other farm crop.

In the days of slavery in this country it was an industry of large proportions, but after slavery ceased to exist the price of labor advanced, which caused an injury to the growing of the crop, and since jute in 1890 was allowed to come into this country free of duty the production of hemp has declined in importance and dwindled into insignificant proporfions. Indeed, it is not raised now in any considerable quantity except in Kentucky, where, owing to the indomitable energy of the farmer and the great superiority of hemp over jute, its strength compared to that of jute being as 100 to 60, which opens a limited market where jute can not be used, the industry has been enabled to eke out a precarious existence.

At one time there was in the United States $3,341,500 invested in hemp manufacture, more than 6,000 hands employed at a yearly wage of nearly $1,200,000, and 417 mills in operation, 159 of which were in Kentucky, 50 in New York, and 208 more throughout the country. There were then from 75,000 to 80,000 tons raised each year, which, if now raised, would be worth more than $10,000,000. But now there are only 28 mills in the United States, 2 of which are in Kentucky, all of which, to a large extent, are manufacturing foreign fiber, and the present production of hemp is only 8,000 tons, and those who once found remunerative labor from that source have been compelled to seek less remunerative employment elsewhere.

The mills have rotted down so that in most instances there is not even a vestige remaining to point to their former prosperity. It is true that at one period the uncertainty and great cost of labor contributed to the serious injury of this industry, for it must be remembered that our laborers have been paid an average wage of $1.50 per day, while those in India have received but 5 cents per day.

The spirit that has prevailed in the Republican party in protecting other branches of industry from pauper labor seems not to have prevailed to any great extent in so far as the protection of hemp is concerned; however, the American farmer has struggled manfully against great odds, but for which the hemp industry would to-day be extinct in the United States. In the last ten years labor-saving machines have been invented, one of which cuts and another of which breaks; and on this account, but for the free importation of jute, the hemp industry would now be in a flourishing condition in many of the States of the Union. Doubtless could such prosperity be established, inventive genius would be quickened, and the comparatively primitive machines of to-day would rapidly undergo such evolutions as would increase manifold their effectiveness.

But while Congress has been thus unmindful of the producer, it has carefully guarded the interest of the manufacturer, and that class has been protected from the manufacture of jute abroad. I am frank to say, however, in this connection, that I do not believe the present bill gives to these manufacturers the protection to which they are entitled.

I do not seek to injure them; I do not seek to injure any industry of this country; I only ask for equality of protection as to hemp, for protection against foreign labor, not only as it appears in the field, but foreign labor as it appears in the workshops abroad. And in this connection I present to such Members of the Senate as may desire to look at them some photographs showing the character of labor employed abroad in the manufacture of jute. [Exhibiting.] A single glance at them constitutes an argument more forceful than any words that might be uttered.

I append and ask to have printed in the RECORD a table showing the average weekly wages in the jute mills of Calcutta as compared to those in New York.

The PRESIDING OFFICER (Mr. CRAWFORD in the chair). In the absence of objection, permission is granted.

The table referred to is as follows:

*Average weekly wages Calcutta and Brooklyn (N. Y.) jute mills compared.*

| Calcutta. | | | Brooklyn, N. Y. | |
|---|---|---|---|---|
| Employment. | Sex. | Wages. | Workers—Equivalent labor. | Wages. |
| Jute carrier | Men | $1.42 | Warehousemen | $10.00 |
| Jute selectors | do | .48 | Laborers (men) | 7.00 |
| Jute cutters | do | .77 | do | 9.00 |
| Jute softeners | do | .69 | do | 9.00 |
| Coolies | do | .65 | do | 9.00 |
| Dust shakers | do | .51 | do | 9.00 |
| Batching | Women | .50 | Men | 7.25 |
| Preparing | do | .61 | Women | 6.15 |
| | Men | .61 | Men | 9.00 |
| Winding | Women | .47 | Women | 9.50 |
| Card feeders | do | .48 | do | 6.15 |
| Card receivers | do | .48 | Card doffers (women) | 6.15 |
| Spinning: | | | | |
| Roving feeders | Men | .63 | Women | 8.75 |
| Warp rovers | Women | .69 | do | 8.75 |
| Weft rovers | do | .73 | do | 8.75 |
| Doffers | Children | .33 | do | 5.50 |
| Shifters | Boys | .54 | Can boys | 8.00 |
| Breaker feeders | Men | .52 | Men | 9.00 |
| Breaker receivers | do | .49 | do | 6.15 |
| Double drawing | do | .60 | Single drawing (men) | 6.15 |
| Weaving | do | 1.54 | Women | 10.50 |
| | Women | 1.30 | | |
| General labor | Men | .64 | Men | 10.00 |
| Foremen | do | 2.10 | Foremen | 25.00 |
| | | | Assistant foremen | 14.50 |
| Machinists | do | 1.32 | Men | 21.00 |
| Average mill labor (1908) | | .60 | | 8.11 |

NOTE.—The actual average weekly wages paid to the mill hands in a Calcutta mill, running over 3,000 people in January, 1909, was 70 cents per individual.

Mr. BRADLEY. Mr. President, the general average of this table shows that, including all the departments, the average weekly wage in Calcutta is 60 cents, while in New York it is $8.11. It seems to me, in view of largely increased importation to which I shall hereafter refer, that the manufacturers of jute in this country have not been given that degree of protection to which they are entitled. But disproportionate as these prices for labor are, they are much larger to the foreign labor employed in the mills than they are to the foreign labor employed in the fields.

It occurs to me, Mr. President, that the giving of protection to the American manufacturer of jute and at the same time denying protection to the producer of hemp, who is brought directly into competition with the producer of jute, is a travesty on the doctrine of protection. It is, indeed, a shameful injustice to protect one interest while another is permitted to languish and die, and is not only un-Republican but un-American. Let us have protection to both classes or protection to neither. If an attempt should be made to allow the manufactures of jute to come into this country free of duty, there would be a howl go up from the East which would shake the country from one end to the other.

One of the difficulties growing out of the manufacture of jute is that articles such as carpets, the warp of which was formerly made of hemp, are now either made entirely of jute or a mixture of jute and hemp. By reason of the short life of jute, such carpets last but a short while and are a notorious fraud on the consumer. Illustrating conditions, it may be remarked that 60 per cent of jute and its manufactures has been imported into this country for the last four years, and largely, if not entirely, consumed in the United States. The value of jute and jute manufactures imported in 1904 was $20,000,000, in round numbers, and in 1908 it increased to $34,000,000. In other words, in four years these importations increased at the alarming rate of 70 per cent. Thus it is that $34,000,000 that should have been kept at home, invested in home products, affording employment to American laborers, has been sent to foreign lands, most of which has gone into the pockets of foreign manufacturers or producers who live by treating those who labor for them more unkindly than they treat the beasts of the field.

But we are told that no tariff should be placed on jute because it would increase the price of sacks, bags, burlaps, and bagging necessary to the cotton growers of the South and the wool and grain producers of the country. If this be true, then to cheapen them further we should admit jute manufactures free also, for then these people would get their sacks and bagging cheaper than they get them to-day. But it is not true. In the first place, it may be said, in the language of Mr. Dewey, a most eminent authority in charge of fiber plants of the Agricultural Department, that there are thousands of bales of low-grade cotton not suitable for standard goods, but reckoned in market statements as "cotton in sight," or "visible supply," and recognized by all as constituting a serious menace to cotton by decreasing the price of better grades, which could be manufactured into bagging, thereby increasing the price of the better grades of cotton so as to compensate any increase in the cost of bagging, and, besides, with a reasonable incentive, such as would result from a tariff on jute, could and would be profitably made into grain bags and coverings for cotton bales.

In this way a new industry could be developed in the South which would furnish labor for many of its people. The pretense that any increased cost of cotton bagging would fall upon the farmer is absolutely ridiculous, because if such increase should result the farmer would protect himself in the sale of his cotton, and would in this way at any rate reimburse himself for any additional expense. But this additional expense would be slight and more than compensated in the creation of a new industry and the increase in the value of the best grades of cotton, for no longer would the cheap grade of cotton remain an incubus upon that article.

But even if that were not true, if hemp and flax should be protected as they ought to be, the time would come in this country when, by reason of increased competition, increased manufacture, and increased consumption, all these articles would be furnished absolutely more cheaply than they are furnished to-day, our American laborers rewarded, our American producers protected, and our money kept in this country rather than sent abroad.

The same incentive arising from a fair tariff duty on jute would result in increased production of hemp and flax, as well as in their increased manufacture. The lower grades of flax and hemp, known as "tow," could be made into bags, burlap, and bagging.

The flax industry of America should have more protection, and is now seriously suffering by reason of the importation of free jute.

In the great States of the Northwest and West, chiefly the Dakotas, Minnesota, Kansas, Wisconsin, Montana, Michigan, Missouri, Iowa, and Nebraska, more than 2,800,000 acres of flax are grown annually. Mr. Dewey estimates that more than 5,000,000 tons of straw are produced. This straw, if protected against jute, properly prepared and cleansed for spinning, would yield 1,000,000 tons of fiber of the value of $250,000,000, and would of itself more than supply the necessary fiber for America. As it is, of these 5,000,000 tons of straw, less than 300,000 tons are now used for fiber. The lowest grade of jute comes to the Atlantic ports at a gross cost that would be little in excess of freight charges from the Dakotas to the Atlantic seaboard. This valuable product in the States named, which would otherwise furnish employment to hungry thousands and retain the vast sum mentioned at home instead of sending it abroad, is under present conditions considered mere rubbish and is consumed by fire. With proper protection to flax and hemp, the flax and hemp growers of the country, in connection with the manila fiber brought here from our own possessions, could furnish all the fiber for America and have enough remaining to supply the demands of every nation on the globe.

To change from the manufacture of jute to the manufacture of hemp and flax would not necessitate any alteration of machinery, for the same machinery makes all sorts of soft fibers equally well; and I do not think there is any American who would not hail with delight the day when every pound of rope, every pound of twine, every pound of carpet yarn, every yard of burlap, and every yard of bagging is manufactured from products grown on American soil, raised by American labor, and manufactured by American mills.

Aside from the reasons already given, in order to produce more revenue, it may be said that the tariff asked on jute to protect flax and hemp would produce between three and four million dollars annually, whereas not one cent of revenue is now derived from that source, and this could be done without any hardship on the manufacturer, and when the finished product reached the actual consumer the duty would represent such a small part of the actual selling price that it would be of small consequence.

Another consideration: The foreign fiber held in America probably at no time represents more than thirty or forty days' supply, while the amount produced here represents such a small percentage of the amount used it would be difficult to figure how long it would last—probably not more than two or three days—if it were practicable to start every mill in America at work on it at the same time. Such is the estimate made by

Mr. Dewey. In case of war with any first-class power the foreign product would be immediately cut off and we would be left without remedy. Is it not, therefore, from this standpoint the part of wisdom to make ourselves thoroughly independent in every possible respect of every foreign nation?

We have a variety of soil and climate; ours are the best and grandest people on earth, and all that is necessary is to give America a fair chance to enable us to bid defiance to the rest of the world. But as matters now stand, these great industries are being weakened and the hemp industry will eventually be destroyed by importations from abroad, and this can be prevented alone by the patriotism, the wisdom, and the Americanism of the United States Senate.

Mr. President, having called attention briefly to these matters, I trust that the Senate will excuse me for taking to some extent a view of the political side of this matter. I remind you, Mr. President, of the fact that after the cessation of the civil war, by reason of which Kentucky had lost many millions of dollars by the freedom of slaves, the Democratic majority at one time was 75,000, and at one time there were less than 40,000 Republican voters in the State.

Our brethren of the North kindly left the Kentucky Republicans to work out their own salvation. We were compelled to confront such intellectual giants as Marshall, Helm, Stevenson, Carlisle, Beck, Watterson, Lindsay, Breckinridge, and a host of others; and not only so, but to confront the prejudice growing out of the freedom of the slaves and their elevation to suffrage. Unfortunately, our greatest leader in the earlier days, Gen. John M. Harlan, was appointed justice of the Supreme Court, and those who were left in Kentucky to make this fight were in the main comparatively young men. There was nothing to encourage Republicans in those days, nothing to inspire them but devotion to principles they conscientiously believed to be eternally right. We were confronted with Kuklux and other similar organizations, political ostracism was common, and in many instances in the darker days of that period Republicans carried their lives in their hands. On one side were wealth, experience, prejudice, and a trained army led by illustrious leaders. On the other was comparative poverty, a disorganized body commanded by comparatively young and inexperienced men, who were, however, endowed with indomitable energy and brilliant intellect. For years the struggle went on, but slowly and surely the clouds began to fade, more and more light illuminated the darkness, until in 1895 the gloom was dispelled by the full sunlight of a glorious Republican victory. The following year Kentucky for the first time gave its electoral vote, with a single exception, to the Republican candidate for President. Since that time, save 1899, by reason of Republican mistakes, we were defeated, until 1907, when the boys in the trenches again took control, and another victory was the result.

Mr. McLAURIN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Mississippi?

Mr. BRADLEY. With pleasure.

Mr. McLAURIN. About how many were the negro voters in the State of Kentucky in the last election of which the Senator spoke?

Mr. BRADLEY. About 60,000, and about one-third of them voted your ticket and the others ours.

Mr. McLAURIN. That answers two questions. I was going to ask the other question.

Mr. BRADLEY. But I will show you a little further along on that question——

Mr. McLAURIN. If the Senator will allow me——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield further to the Senator from Mississippi?

Mr. BRADLEY. With pleasure.

Mr. McLAURIN. If the Senator will allow me, this question was suggested to me by the statement of the Senator that the Republicans in that State were coming out of the darkness, and I just wanted to know how much of that darkness was still with the Republican party. [Laughter.]

Mr. BRADLEY. I simply meant to say that we were coming out of the Democratic darkness, and so far as the negroes are concerned, we transferred one-third of them to your party. [Laughter.]

Mr. McLAURIN. I did not know that the Republicans could transfer the negroes wherever they desired.

Mr. BRADLEY. I do not know that we can either, but I find that there are a lot of them that the Democrats can do what they please with.

Mr. McLAURIN. They are the intelligent negroes.

Mr. BRADLEY. I did not say intelligent ones.

Now, in answering more fully that question the Senator has asked, I will say that last fall, by reason of Republican mistakes, and in some instances the basest treachery, the State went Democratic by a little over 8,000 majority, but from less than 40,000 votes following the war we increased to 236.000.

I want to show you, therefore, that the coming out of darkness has not been confined entirely to the negroes, but that a large number of white men have come also, and we would have won a victory last year but for Republican mistakes, and in some instances the meanest character of treachery. [Laughter.]

Now, during all these struggles the Republicans of Kentucky have received comparatively little aid or comfort from their brethren in the North. We complain not of that fact to-day, but we do complain because our people have not been given that justice in legislation to which they were entitled. And, I may say in this connection, that not only the people of my State, but the people of nearly all the old slaveholding States have been denied the justice to which they are entitled.

I plead for Kentucky in the name of the great "Harry of the West," who did as much to engraft the doctrine of protection among the national policies as any other American statesman.

I plead for Kentucky in the name of that greatest and best of all her sons, and of all Americans, whose kindness of heart and gentleness of nature, combined with splendid courage and unequaled statesmanship, won for him the most exalted place in all the rolling years of time—the immortal Lincoln.

And I plead not only for Kentucky, but for the entire South.

Nearly half a century has passed since the echo of the last hostile cannon died in silence. Nearly half a century has elapsed since the soldiers of both armies returned to their homes and mingled back into civil life, the one elated with victory and hope, the other almost in despair, having lost all save the proud consciousness that they had shown their willingness to bleed and die in a cause which they believed to be right.

Despite carpetbag rule, which was a disgrace, and which, thank Heaven, never prevailed in Kentucky; despite the devastation of war, the slaveholding section of the country has developed rapidly, and is now more rapidly developing, possibly, than any other section of the land. Every loyal American on either side of the struggle has forgotten the bitterness of the past, and we are not worthy the name of American if we do not to-day cherish in common the glories of that great conflict which made all men free and retained every star on the Nation's flag.

I plead to-day for the blotting out of all lines in legislation, for the harmonizing of all sections, for the cementing together by the ties of commercial interest, brotherly love, and affection, all the people.

Our great and good President is patriotically engaged in an honest effort to recognize and do equal justice to every section of the Union. His example should be emulated and followed by all.

The South needs protection on her lumber, coal, iron, rosin, turpentine, fluor spar, hemp, tobacco, and other interests. If we desire to be just, let us protect all these interests. And if we desire to build up the Republican party in the South, let us show that we are willing to build up the interests of that section.

Let the North, the South, the East, the West each and all be protected as they are entitled to be protected, and the Nation which is now the grandest on earth will move forward with increased energy, attaining a degree of prosperity and power of which we have not even dreamed.

Mr. President, one more word and I am done. Give to Kentucky fair protection of her interests and I guarantee you it will be but a short time until Kentucky is as certainly a Republican State as the great State of Massachusetts.

Mr. DOLLIVER obtained the floor.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Aldrich | Cullom | Hale | Perkins |
| Beveridge | Cummins | Heyburn | Piles |
| Borah | Curtis | Hughes | Richardson |
| Bradley | Depew | Johnson, N. Dak. | Root |
| Brandegee | Dick | Johnston, Ala. | Scott |
| Briggs | Dixon | Jones | Simmons |
| Bristow | Dolliver | Kean | Smith, Mich. |
| Brown | du Pont | La Follette | Smith, S. C. |
| Burkett | Elkins | McCumber | Smoot |
| Burrows | Fletcher | McLaurin | Stephenson |
| Carter | Flint | Martin | Sutherland |
| Chamberlain | Foster | Nelson | Taliaferro |
| Clarke, Ark. | Frazier | Nixon | Warner |
| Crane | Frye | Page | Warren |
| Crawford | Gamble | Paynter | Wetmore |
| Culberson | Guggenheim | Penrose | |

The PRESIDENT pro tempore. Sixty-three Senators have answered to the roll call. There is a quorum present.

Mr. CHAMBERLAIN. I should like to say that my colleague [Mr. BOURNE] has been called away by the illness of his mother.

Mr. DOLLIVER. Mr. President, it is very seldom that a public duty is imposed upon a Senator under circumstances that ought to involve personal references; yet the tone and attitude of some of my most distinguished colleagues here suggest that what I am engaged in trying to do represents merely a cowardly acquiescence in a temporary political opinion at home, a suggestion echoed by the press of some colors, as, for example, in a recent issue of the Washington Post, in which this very kindly reference to me is made. I would not read it if it were not an authentic echo from the Senate Chamber itself:

Senator DOLLIVER, of Iowa, was a Member of the House during many years, and a member of the Ways and Means Committee during the preparation and passage of the present Dingley tariff law twelve years ago. Mr. DOLLIVER is a candidate for reelection, and those who disagree with his present criticism of the high rates of the Aldrich bill assert that he is a convert to lower duties because he thinks the idea is popular in Iowa.

The fact is, Mr. President, that I am no recent convert to moderate duties for any reason, of any sort. If it were necessary here for a Senator to make a personal explanation of his motives, I would say that I am here in fulfillment of a public contract with the people of Iowa after I had been elected to the Senate, now nearing nine years ago. In order that this may appear in the RECORD, I intend to read a brief extract from remarks which I felt constrained to make to the legislature on the occasion of my election—remarks that were written in the bedchamber of my former colleague and approved by him as words fit to be spoken on that occasion, when we both stood before the legislature, Members-elect of the Senate; I for the first time, he for the last. I said:

The design of protective tariff laws is to prevent our home industries from being overborne by the competition of foreign producers, and it may be safely said that no American factory making an unequal or even precarious fight with its foreign rivals will ever look in vain for help and defense to the people of Iowa. But we are not blind to the fact that in many lines of industry tariff rates which in 1897 were reasonable have already become unnecessary and in many cases even absurd. They remain on the statute books, not as a shield for the safety of domestic labor, but as a weapon of offense against the American market place itself. Without overlooking the evils and dangers of a general tariff agitation I can not believe that a correction of obvious defects in the present schedules made by friends of the law in an open and business-like way could be disastrous to any legitimate interest of the people, unless, indeed, we admit the claim put forward by some that Congress is impotent and helpless in the presence of these questions.

And now at the first opportunity, I am here in a very modest relation to this controversy, not for the purpose of winning the favor of the men and women of Iowa, for I enjoy that now, but for the purpose of fulfilling my agreement made on the occasion of my election to the Senate.

In the earlier stages of this discussion I ventured to speak of some things connected with the progress of this bill through the two Houses of Congress which appeared to me to require attention and invite criticism. I feel at liberty to speak freely in this Chamber, because the customs and traditions of the Senate not only tolerate but welcome the free expression of the opinion of its members. In resuming the discussion of this measure, I desire to avoid, as far as my present state of grace will admit, all dogmatism, and especially those prejudices which so often vitiate our judgment. It may be taken for granted that I would be glad to agree, without controversy, with the views of other Senators, and especially with the honored chairman of the Committee on Finance and his associates, through whose arduous labors this bill in its present form has been brought before us. It is only from a sense of duty, which I can not shake off, that I am constrained to point out some of the shortcomings of this measure, with a view of securing the further attention of the committee to some of its most important schedules. In doing this I feel that I shall be rendering a service to the public and especially to the party which has honored me with its good will for nearly a quarter of a century. If I speak the truth, if I deal with things as they are, I suggest to the Senator from Rhode Island that it will not be an adequate answer to reproach me with the errors of my youth or to disparage me because in other years I followed, without question, in the footsteps of our party leaders.

If in times past I took, without disturbing the peace, every act of the party, it was because I loved it; because the young man of that day found it a good deal easier to idealize it than they sometimes find it now. I speak here because I still love the old Republican party and would have its leadership rise to the full stature of its opportunity and its responsibility. If it is a reproach that I have felt it incumbent upon me to reexamine, with a judgment, I trust, somewhat more mature, the tariff act of 1890, for which I voted, or the act of seven years later, which bears the name of dear old Governor Dingley, under whom I served on the Committee on Ways and Means of the House, I shall try to carry the reproach as cheerfully as possible. If it is thought proper to subject me to criticism because I follow a course which would not be approved, if he were living, by my former colleague, the venerable Senator Allison, I refuse to discuss the question or to debate with my friend from Rhode Island as to whether he has been in a better position than I have to bear witness upon such matter. For even if it were true that these schedules of which I am complaining had in their time Senator Allison's approbation, it does not follow that in the situation in which we are now placed, sitting in an extraordinary session of Congress called for no other purpose than to reexamine these laws, that far-sighted statesman would have dismissed the matter as we are expected to dismiss it, as a thing too sacred for public discussion. It is no encomium upon Senator Allison to suggest that he was indifferent to the approbation of the State which he served all his lifetime. If the Senator from Rhode Island intended to humiliate me by the intimation that my course in these matters is dictated by political conditions at home, he unintentionally pays me a compliment which I sincerely appreciate, because this Nation has entered upon a new era of direct responsibility on the part of Presidents and Congresses alike to that enlightened public opinion which ought to be the real Government of the United States.

The protective-tariff system has nothing to fear from the fireside of the Iowa homestead. On the other hand, it finds there its most disinterested advocates and its most impartial judges. For half a century our people have defended it with their votes on every election day, with no direct concern of any large significance in any of its schedules, and no purpose to serve except the general prosperity of the American people. What I have said of Iowa is true, in an improtant sense, of the upper Mississippi Valley, and I can not help thinking that there is a radical defect in that party leadership which dismisses the voice of that great community, fearlessly expressed in both Houses of Congress, with a cynical sneer about the weakness of public men who are governed by temporary political exigencies. For it ought not to be forgotten that what we are doing here must be submitted to the American people—a jury of unnumbered millions, already empaneled, with this case under consideration. It is not the same jury which passed upon the tariff act of 1897; it is the most momentous fact in our national life, as the late Senator Hoar suggests in his "Autobiography of seventy years," that within this period the whole field of American industry has undergone a revolution. The independent workshops of American labor stand no longer as they appeared in the magnificent vision of Alexander Hamilton, when he laid down the doctrine that the competition of domestic producers would guard the community against all the evils of extortion. The inspiring retrospect of Mr. Blaine in his "Twenty years of Congress," in which he recounted the triumphs of the protective doctrine in the perfect fulfillment of Hamilton's prediction already needs a good deal of revision to bring the narrative up to date.

In 1897, when the Dingley tariff law was enacted, the consolidation of our industrial system into great corporations had not fairly begun. The business men who appeared before the Ways and Means Committee of the House were an anxious company; they spoke for silent factories and the dead ashes of furnaces without fire and chimneys without smoke. They represented unemployed labor and idle capital; they belonged to the old industrial régime, now almost obsolete in nearly all great departments of production, and they received the treatment which they would receive now freely at my hands if I had the power to give it to them. It is a grim failure to comprehend what old Doctor Johnson used to call "the sad vicissitude of things," when the leaders of a political party summon their followers to practically reenact the tariff of 1897 under the conditions which prevail to-day, and when men are derided because, having helped to frame that law, they seek to have it reexamined in the light of present-day experience. Is it possible that a man, because he voted for the Allison tin-plate rate of 1889 and heard poor McKinley dedicate the first tin-plate mill in America, can be convicted in this Chamber of treachery to the protective-tariff system, if he desires that schedule reexamined, after seeing the feeble enterprise of 1890 grown within a single decade to the full measure of this market place, organized into great corporations, overcapitalized into a speculative trust, and at length unloaded on the United States Steel Company, with a rake off to the promoters sufficient to buy the Rock Island system? If a transaction like that has made no impression upon the mind of Congress, I expose no secret in saying that it has made a very profound impression on the thought and purposes of the American people.

I repeat, therefore, what I said the other day, that the duty of this Congress is to reduce the margin of protection provided in the Dingley rates wherever it can be done without substantial injury to the productive enterprises of this market place. It is our special duty to take up those schedules which represent the largest investments of protected capital and, at least, take out of them the rates that are now everywhere known to be extravagant and unnecessary, which rise so far above the level of our real industrial needs as to bring the policy of protection into ridicule without doing anybody any sort of good. I recognize the peculiar preparation of the Senator from Rhode Island for that work. He has already successfully applied sound principles to some of the excesses of the iron and steel schedule. I do not know that he has gone far enough, but he certainly has gone in the right direction. He has failed, in my judgment, in those schedules which relate to the textile industries, and it becomes the duty of somebody not helplessly preoccupied with local interests to bring this failure to the attention of the Senate and of the American people. I need not add that in doing so I shall speak with perfect good will for those who differ from me and with perfect charity to those whose unconscious political bigotry makes it hard for them to recognize, even in the Senate Chamber, those rights of free opinion without which our deliberations are a humbug and a fraud.

There is, of course, a kind of embarrassment in the work which I have undertaken, arising from the fact that many think, and some, more hardened than others by the reciprocal amenities of statesmanship, do not refrain from saying that it is an unseemly and presumptuous thing for anybody, certainly for anybody like me, to sit in judgment upon the wisdom of McKinley and Dingley and the other statesmen of the past, who joined in placing upon the statute books those provisions of law which are now brought in question. And the authority of great names, everywhere revered, is cited to silence all voices of dissatisfaction. There are some who regard it as inappropriate for anyone here to be in doubt as to the wisdom of proposals brought in for our approval by the honorable chairman of the Committee on Finance. Respect for great public service and hearty recognition of talents, sharpened by a long experience, would surely have forbidden me to make the plea I am about to make if I were not able to convince the Senate that even a humble opinion can be intruded into these matters without discrediting the wisdom of any American statesman, living or dead. All men bow naturally before the Divine wisdom, even when they do not understand; all men regard with reverence the wisdom of Solomon or Franklin or Lincoln; but it is another matter for men, full grown, sitting in this Chamber, to put their individual judgment into servitude, not to the great and good men who adorn the deliberations of Congress, but to persons on the outside whose very names are unknown to us. It is not necessary to comment harshly upon the work of Governor Dingley or William McKinley; much less is it necessary to appear wanting in consideration for my honored friend from Rhode Island.

I leave them all, the living as well as the dead, upon such pedestals as their just fame and renown have earned. If I thought that the conscientious hand of Nelson Dingley had written with painful research the cotton schedule in the act of 1897, I would hesitate a good while before I got the consent of my own mind to look upon it with the eye of suspicion. But I have in my possession a letter of Governor Dingley's, found among the papers of one of my oldest friends, who assisted him in the work of the Ways and Means Committee of 1897, in which the governor deprecates any increases in the cotton schedule because in his judgment the tendency of the rates ought to be down instead of up, and because the cotton manufacturers were in no position to complain of the rates established by the Wilson law in view of the fact that they had written the schedule themselves. It is even possible to comment adversely upon the cotton schedule as contained in the Senate bill without impeaching the abilities of the Senator from Rhode Island, because he has himself stated upon this floor that the amendments offered to the Senate by the committee were not the work of the committee, but every one of them made by persons connected with the Treasury Department.

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. The Senator certainly does not want to make a misstatement. I made no such statement to the Senate.

Mr. DOLLIVER. These are matters of record. It is not necessary to take my recollection that the Senator stated that these changes were made by expert custom-house people in New York; and, as if to verify it, the Senator from California [Mr. FLINT] rose with much evident embarrassment and stated that all the changes from the House bill had been suggested in the same quarter.

Mr. ALDRICH. The memory of the Senator from Iowa is at great fault. If he will read the RECORD, he will find that I have made no statement of that kind.

Mr. DOLLIVER. I will go to the RECORD.

Mr. FLINT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from California?

Mr. DOLLIVER. Certainly.

Mr. FLINT. I think the Senator will find, on examining the RECORD, that what I said was that in all these schedules we had consulted the officers of the Government.

Mr. DOLLIVER. Mr. President, I will not debate that. The RECORD is here. I certainly do not desire to say a word that will not be verified by a reference to it. It must have been a rather cruel revelation to the languid disciples of the Senator from Rhode Island to learn from his own lips that these changes were made in New York by people who have not yet been elected to the Senate of the United States.

Mr. ALDRICH. Mr. President, I protest against a continuation of a statement which is absolutely false.

Mr. DOLLIVER. Mr. President, I refer to the RECORD; and if the Senator desires to present the RECORD to the Senate, I yield for the purpose of having it done. I certainly desire to do no injustice to the Senator.

Mr. ALDRICH. The Senator is making a statement, and I am not. If there is a RECORD showing anything of that kind, I will be very glad to see it.

Mr. DOLLIVER. It must have made a queer feeling in the minds of these good friends to find that this schedule was not the product of the genius of the man who has been reputed in the mythology of our public life as the greatest living expert on the technicalities of cotton manufacture, but that when the Senator from Rhode Island was confronted by the task set before him by his constituents of raising the table of these rates, without touching them, he turned the matter over to the general appraisers' office in New York. A very curious proceeding this, and unless we can look at it without fear and trembling, the time may come when we will have to rewrite the Constitution of the United States in order to legalize this power of the appraisers in New York to regulate the foreign commerce of the United States.

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. Mr. President, I do not object to criticism either of myself or of the schedules of the bill, but I do object, so far as I am able, to having the Senator make and repeat and reiterate a statement which has no foundation in fact whatever.

What I said and what the fact is, was that the committee, having decided what to do, they turned the matter of regulating the schedules, as to the amount of specific duties that would be imposed in place of ad valorems, to the experts of the Government, and never to any manufacturer at any time.

Mr. DOLLIVER. Mr. President, I am now able, without doubt, to state exactly what the Senator said:

> Mr. ALDRICH. If the Senator will permit me just there upon that point, no manufacturer has been before the Committee on Finance in regard to this schedule. Every change that was made in it was made upon the recommendation of the government experts and nobody else; and it is now defensible and will be defended by the members of that committee whenever the schedule is reached.

And my friend from California [Mr. FLINT], fearing that the Senator from Rhode Island possibly needed corroborating witnesses, rose and said:

> Mr. FLINT. I wish to make this statement: There is no schedule in the bill that was not placed there by the approval or at least upon information furnished by experts of the Government.

Mr. ALDRICH. The Senator has said and reiterated that I had said we turned this matter over to somebody in New York.

Mr. DOLLIVER. I leave it to the unprejudiced judgment of men whether the statement actually made by the Senator would not warrant a man somewhat irritated in his feelings to draw that conclusion from it.

Mr. ALDRICH. I understand the Senator from Iowa is irritated in his feelings. I know the cause of it. I do not intend now to allude to it, and I trust I may never have any occasion to do so.

Mr. DOLLIVER. Nor is the origin of the woolen schedule any more mysterious, although it is more ancient. I think it has left more "footprints on the sands of time," possibly because of the wider distribution of the interests involved. I do not

accuse the Senator from Rhode Island. That schedule antedates the entrance of any man now living into the Senate of the United States. It was undoubtedly handed to the Senator from Rhode Island exactly as it was handed to me, and the main difference between us is that I have become a little more curious than he has to see what is in the package.

He says that I am engaged in circulating Democratic slanders against the action of the Republican Congress in speaking of rumors——

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. The Senator from Iowa must be speaking from a guilty conscience. I have never made any such statement.

Mr. DOLLIVER. I am not speaking from a guilty conscience; I may be speaking from a fallible memory, though I was satisfied at the time that the Senator's remarks were making a deeper impression upon me than they did on anybody else. I will ask the Senator from Nebraska [Mr. BURKETT] to be kind enough to find the debate where the Senator from Rhode Island [Mr. ALDRICH] rebuked me in a mild way and said I was circulating remarks that properly belonged to a Democratic speech. It may be true that in times past I have heard some Democrats complaining about those rates; and, if I did, I have no doubt that I answered them.

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. What I said was this, and I repeat it: During my service in the Senate and upon the Committee on Finance, in every discussion which has ever taken place upon the tariff some Member of the Senate, in several cases many Members of the Senate, have appeared here with samples of goods, with statements in regard to ad valorem rates furnished by importers——

Mr. DOLLIVER. Mr. President, I do not yield to a speech for any such purpose.

Mr. ALDRICH. I hope——

The PRESIDENT pro tempore. The Senator from Iowa declines further to yield.

Mr. DOLLIVER. I do not yield the floor for any such——

Mr. ALDRICH. I hope we are not having an exhibition of that kind of Democratic policy or any other policy to-day.

Mr. DOLLIVER. If the Senator will be patient with me, he will have an exhibition of the bottom facts in both these schedules. I do not yield to him to discredit what I am about to say in advance of my argument in relation to it. I have been in the Congress of the United States long enough now to claim the right to conduct debate as, in my judgment, appears to be right and proper. I am willing to have my arguments answered, but I do not propose to have them sneeringly discredited in my own time.

My friend from Nebraska [Mr. BURKETT] hands me what the Senator from Rhode Island said on that subject. He said:

> Mr. ALDRICH. I suppose the Senator from Iowa is aware that he is not the original investigator along these lines. The statement which he has just made has been made, iterated and reiterated over and over again in this Chamber and in the other Chamber, by every orator who has spoken against the duties on woolens or wool. It is simply reiterating to-day the Democratic claims which have been current in this country for a generation.

Now, then, if the claims were correct, there is no reason why they should not be current.

Mr. ALDRICH. That is as true now as when I stated it.

Mr. DOLLIVER. If they tell the truth, why should they not be current? If they were not true, why does the Senator complain when I represent him as charging me with circulating Democratic false rumors in respect to the tariff laws of the United States?

Mr. President, I may have heard that from Democratic sources; and if I did, I have no doubt, as the Senator from Maine [Mr. HALE] so kindly suggested the other day, that I defended the law with old-fashioned weapons, now mostly played out, by calling the attention of the audience to what awfully hard times we had in 1893. I certainly never went very far into the arithmetic of the subject, and that is the trouble with our present situation. The fact is that a good many Republicans have got to talking about these rates, and in these later years our Bureau of Statistics has been perniciously active and a lot of editors have got hold of the documents, and the time is at hand when the whole country is as familiar with these abuses as we are here in the Senate Chamber of the United States. The Senator also seems to think that it is proper to rebuke me for circulating a threadbare story about a reunion of shepherds and weavers of cloth, held in this town for the purpose of harmonizing their contradictory interests in Schedule K.

I was interested in the mild resentment of tone and manner with which the Senator from Rhode Island saddled that migratory legend of American history on to evil-minded persons of Democratic antecedents whose occupation is to misrepresent the work of Congress. I was glad to hear the Senator say what he did, because it enables me to acquit him of any guilty knowledge of the origin and early achievements of Schedule K. It put the Senator in the same class with me, as it were, an innocent-minded protectionist of the old school receiving the sacred scriptures of the political faith once delivered to the saints. If he had been at that ceremony when the shepherd's crook and the weaver's distaff were joined together in the joyous wedlock, which no man has been able to put asunder, I would not be able now to say what I am about to say without at least appearing to disparage a wisdom which we all applaud. But the Senator was not there; he does not even seem to have heard of it from authentic sources. If he ever heard of it from a Democratic orator he probably refuted the slander by a discreet reference to the panic of 1857. Of course, if our Democratic friends ever spoke lightly of such a meeting they were grievously in the wrong, because have not even shepherds and weavers a constitutional right to peaceably assemble and dovetail their plans of the future?

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I should like to ask the Senator from Iowa what his idea is as to the origin of Schedule K?

Mr. DOLLIVER. I hope the Senator from Utah will not allow his impatience to disturb the serenity of the situation. He must have a very shortsighted view of the general course of my remarks if he was not able to see that I was gradually approaching that interesting episode.

Mr. SMOOT. In his last remarks I took it for granted that the Senator thought there was a conspiracy at that time.

Mr. DOLLIVER. No; I said there was a wedding feast, and I do not think people ought to blame the Democratic party so much about it.

Mr. ALDRICH. Will the Senator allow me to ask him in what year that meeting was held?

Mr. DOLLIVER. I am very much surprised that the Senator from Rhode Island seems even more impatient than his colleague on the committee.

Mr. ALDRICH. I hope the Senator, before he gets through, will give the year.

Mr. DOLLIVER. I hope the Senator does not so far distrust my ability to so conduct this discourse as to imagine that I will not get to that point within a reasonable length of time.

Curiously enough they did assemble just prior to the act of 1867, and nobody can understand the accumulation of political economy which lies hidden in Schedule K unless he has access to the minutes of that meeting. I was not there; the Senator from Rhode Island evidently was not present; but there was a reputable witness in the neighborhood. Fortunately—I say fortunately, because it enables me to scrutinize these transactions in wool and woolens without attacking the memory of statesmen, living or dead—fortunately, there is preserved in a speech delivered in the Senate on the 23d day of January, 1867, a rather picturesque account of the origin of the wool tariff. The Senator is speaking of the conflicting interests of the woolgrower and the manufacturer of woolens. On page 135 of a book called "Speeches and Reports on Finances and Taxation," by John Sherman, I find this interesting tradition recorded. I am glad to read it because it may soften the irritation of the Senator from Rhode Island to perceive that I am not framing an indictment against him nor against the great statesmen with whom he has been associated in the last thirty years in the medication of tariff schedules, but rather against a little scheme devised long ago by harmless shepherds and thrifty weavers, none of whom up to that time had ever made their way into Congress:

> When these two rival interests met together in a convention called by the manufacturers themselves and the whole matter was there discussed, it was agreed between them, after full discussion, that the rates of duty reported by the Senate bill should be given them, and they were satisfied with them and have never called them in question. The manufacturers then made the claim that if the duty was put on wool, they ought to have a corresponding duty on the cloth. That was freely yielded. The principle is proper—that is, if a duty is levied on the raw article an equivalent amount should be added on the product, in order to enable the American manufacturer who converts that wool into cloth to compete with the foreign manufacturer. I trust that in the present tariff the arrangement between the woolgrowers and the wool manufacturers will be carried out. I would prefer myself to take it in the

very words they have given us, so that if they are not satisfied hereafter they can not complain of the proper committees of Congres for any mistakes. I would take them at their word; I think their demand is a reasonable one, and I would be willing to give it to them as they ask it, so that if there is anything wrong in the practical working of their scheme they themselves may have the responsibility of it. It is said, I know, that there was a very important class of people not consulted when this arrangement was made. That is true; the consumers were not consulted, and the consumers have to pay the increased cost.

Mr. WARREN. Mr. President, I should like to ask the Senator a question right there.

Mr. DOLLIVER. Certainly.

Mr. WARREN. Was not the date given there by Mr. Sherman a later one than the date on which the commission was provided by Congress to take up the tariff matter?

Mr. DOLLIVER. Oh, no; this speech was made in 1867, and referred to the meeting which had been held here shortly before.

Mr. WARREN. That is very true, but in 1865 and 1866, as doubtless the Senator knows, there was a commission authorized by Congress to take up revenue matters, and they summoned both the manufacturers and growers of wool, and upon the finding and report of that commission a general bill was made up and adopted.

Mr. DOLLIVER. I went into the matter only for the purpose of protecting my own reputation against the charge of circulating a Democratic campaign yarn. Mr. Sherman distinctly says that this old settlers' reunion was called by the manufacturers themselves.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I should like to read from the revenue commissioner's report.

Mr. WARREN. If the Senator will permit me——

Mr. DOLLIVER. I do not regard the matter as important. I have spent days and nights trying to get what I have to say in an orderly form, in order to spare the Senate the waste of their time occasioned by speaking by the day, and I do not desire to go any further into that matter.

Mr. WARREN. I will make only one statement. I wish to absolve the woolgrowers from a position in which the Senator might have left them, unintentionally, of course, because as a matter of fact they were here in response to the summons of a commission appointed by the Congress of the United States.

Mr. DOLLIVER. I do not desire to speak with discourtesy of my friend from Utah, but the matter is not a part of my argument except for the purpose of protecting me from the repute of being a disseminator of false reports originating in Democratic sources.

Mr. SMOOT. I simply wanted to call attention——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. The Senator wants to read a book, Mr. President. I decline to yield for that purpose.

Mr. ALDRICH. Mr. President——

Mr. DOLLIVER. I will yield for a question.

The PRESIDENT pro tempore. The Senator from Iowa declines to yield to the Senator from Utah. Does the Senator yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. I wish to say right here that there is no man who is at all familiar with the economic history of this country, who is at all familiar with the tariff question, who does not know about the agreement, and also knows about the agreement made in 1867.

Mr. DOLLIVER. If that is so, the Senator from Rhode Island unconsciously did me an injustice.

Mr. ALDRICH. I certainly withdraw any imputation upon the Senator's ignorance, if I made any.

Mr. DOLLIVER. I knew, and everybody else was familiar with it, and I surely felt that the Senator would not have undertaken to put the badge of ignorance upon me if he had had information on the subject himself.

Mr. SMOOT. Mr. President, I simply want to suggest to the Senator——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. SMOOT. For a question.

Mr. DOLLIVER. Well, I did not intend to yield.

Mr. SMOOT. I only want to ask a question.

Mr. DOLLIVER. I do not desire to yield except for a question.

Mr. SMOOT. I do not ask the Senator to yield at all.

Mr. DOLLIVER. Then, I will proceed with my discourse.

If that was the only meeting of this mutual aid society that has ever been held in the vicinity of Washington, I might better understand how the Senator from Rhode Island could dispose of me as a retailer of ancient Democratic libels against acts of a Republican Congress. But I hold in my hand a letter written last December to the former secretary of the Wool Manufacturers' Association by Mr. Theodore Justice, of Philadelphia, that ancient mariner upon the high seas of tariff legislation, in which he gives a rather vivid description of how poor McKinley, bewildered by the intricacies of the wool schedule, turned the whole matter over to the parties in interest to fix it up between themselves. Mr. Justice says:

After that the interests of growing wool and manufacturing wool were so conflicting that Mr. McKinley proposed that we call a convention in Washington and frame Schedule K so that it would be just and fair both to the woolgrower and the manufacturer and the consumer as well. Schedule K of the McKinley Act was the result of that convention in which you and I took an active part, and, as you know, the McKinley Act was succeeded by the Wilson Act, which in turn again was succeeded by the Dingley Act, and Schedule K of the Dingley Act is the Schedule K of the McKinley Act revised and improved.

If I voted for that arrangement, it was under the impression that I was being guided by the wisdom of William McKinley; and if I acquiesced in it in 1897, it was because of my confidence in the character of Nelson Dingley. I might possibly even at this late day be able to vote for it if I could identify it with the wisdom of anybody connected with the tariff committees of either House.

Having thus sketched briefly the origin and gradual ossification of the tariff on woolen goods, I propose now to consider the theory upon which it has been habitually framed, and then to point out the excesses into which Congress has been led in adjusting these rates. I propose, also, to examine in a sort of statistical summary, the effect of this schedule in operation, and to suggest a basis for the amendment of the law.

There is nobody in the Senate that I would regret so much to disturb as my honored friend from Wyoming [Mr. WARREN]; and to save him any anxiety or any sudden purpose to rise to any point of order as I proceed, I desire to repeat what I have already said in the Senate, that I do not intend to try to modify the existing rates upon wool, although I believe that the time is at hand when the National Wool Growers' Association might well reconsider the attitude which they have maintained for more than a generation as to the effect from their standpoint of the present rates upon wool, based not upon its value but upon the breed of the sheep and the geographical origin of the imports. It can not be doubted that the existing system has unequally distributed among those who use wool in their manufacturing enterprises the burden arising from the tariff, and particularly the burdens arising from excessive and prohibitory rates on wool wastes and the by-products of worsted manufactories.

It would seem to be feasible to extend to those manufacturers of woolen goods like carpets, who are not able to use any home-grown material at all in their business, the privilege of buying such wool with nominal tariff rates, or none at all. The old fear of our own woolgrowers that such a concession to a great American industry would introduce a clandestine competition with clothing wool has become more and more imaginary, in the light of experience under efficient Treasury regulations. But it is not my intention to discuss the wool side of this schedule, since I am not prepared at this time to offer suggestions in a practical form. There is, however, at least one feature in the wool paragraph to which I wish to direct attention, and that is the proposed classification of combed or carded wool for the use of the yarn maker, with finished cloth. That is a singular scheme by which wool or hair advanced beyond the condition of scouring is put into the same classification as woolen cloth and assessed at a rate four times the specific rate on raw wool and from 50 to 55 per cent ad valorem.

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. I do.

Mr. ALDRICH. I know the Senator wants to be correct.

Mr. DOLLIVER. Yes.

Mr. ALDRICH. The Senator is not correct in that statement. The rate assessed is three times as much.

Mr. DOLLIVER. I beg the Senator's pardon. It is not an offense of ignorance, but simply a confusion which arises from talking in the presence of experts. It is three times in case of tops valued at less than 40 cents a pound and four times if valued over 40 cents.

Mr. ALDRICH. I trust that confusion will not lead the Senator too far astray from the truth.

Mr. DOLLIVER. If my friend will permit me, I intend to have my remarks thoroughly revised before they are printed, and I will not deceive anybody in the Senate who has a technical familiarity with the subject.

Mr. WARREN. Mr. President, let me suggest to the Senator that those rates which he speaks of as being three or four times as much are based upon wool in the dirt.

Mr. DOLLIVER. I hope the Senator will not become elementary with me. I have spent weeks in studying every subject relating to the production of wool, from the birth of lambs to the manufacture of cloth, and I will not ask anybody to instruct me on details. [Laughter.]

Mr. WARREN. I hope the Senator will excuse me, in view of his greater knowledge of sheep growing than I possess.

Mr. DOLLIVER. No; the same knowledge—a common knowledge.

Mr. WARREN. And I hope we may have the benefit of that knowledge during the latter part of the Senator's speech. [Laughter.]

Mr. DOLLIVER. I intend to give the public the benefit of such knowledge as I have acquired, and I intend to discuss that question, although I do not intend to have it rehashed by others in the midst of my discourse.

This whole top duty was put in our tariff laws by a gentleman from Boston, who has filled the greater bulk of the volume of our tariff hearings here in Congress for twenty years.

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. That duty was put in the tariff by William McKinley. Whether he did it upon the advice of somebody else or not, I do not know; but it was put into the bill by William McKinley.

Mr. DOLLIVER. Mr. President, it is a disagreeable duty to embarrass so old a friend upon the history of wool legislation in the United States, but I hold in my hand the tariff testimony taken in the Fiftieth Congress by the committee of which the honored Senator was a member, and I find that in the Senate substitute for the Mills bill it was put in. That does not agree with what my honored friend has just told me.

Mr. ALDRICH. I have said it was put into the law by William McKinley.

Mr. DOLLIVER. And I say it was put into the law by William Whitman. I find in this hearing in 1888 that Mr. Whitman appeared before the committee, giving the committee in exact language, and handing it to them, the very provisions of that law.

Mr. ALDRICH. Mr. President, the act of 1888 was prepared by a committee of which the late Senator from Iowa [Mr. Allison] was chairman and of which I was a member. For that bill the then Senator from Iowa was responsible. I do not know what was the language used by Mr. Whitman, of Boston, but I do know that the duty on tops, which appeared in the act of 1897, which appeared in the act of 1890, and which appeared in the act of 1888, was at the demand of the woolgrowers of the United States. Whether Mr. Whitman agreed with them or not I do not know, but that duty was inserted at the demand of the woolgrowers.

Mr. DOLLIVER. I desire to know by whom the duty on tops, as it now appears in the Dingley law, was asked for?

Mr. WARREN. Mr. President, I suppose that question is addressed to me. I will say, regarding the duty on tops, as it now appears in the Dingley bill, it is as it was asked for by Judge Lawrence, of Ohio, who was then the chairman of the National Association of Wool Growers. He asked that it be changed from the language used in the laws which had preceded, because he thought there had been some avoidance in the collection of proper customs duty.

Mr. DOLLIVER. I desire only to debate one thing at a time. I said the duty was put in our tariff laws by William Whitman. My friend from Rhode Island said that it first appeared in the McKinley bill. I replied that it first appeared in the bill which he himself reported to the Senate in 1888.

Mr. ALDRICH. The then Senator from Iowa, Mr. Allison, reported that bill.

Mr. DOLLIVER. I beg your pardon.

Mr. ALDRICH. Oh, no; I did not report it.

Mr. DOLLIVER. But, Mr. President——

Mr. ALDRICH. I am entirely familiar with the subject, and I assure the Senator from Iowa that Senator Allison reported the bill, while I made the report.

Mr. DOLLIVER. That is just exactly what I say.

Mr. ALDRICH. But I did not report the bill.

Mr. DOLLIVER. If you did not report the bill, how does it come that this Senate document says, "Mr. ALDRICH, from the Committee on Finance, submitted the following report?"

Mr. ALDRICH. I made the report on the bill, but the late Senator from Iowa was chairman of the subcommittee and himself reported the bill and defended it on the floor of the Senate.

Mr. DOLLIVER. Mr. President, I was just interested in showing that this curious top question did not originate in the McKinley bill; but that Mr. Whitman came before the committee of which my friend from Rhode Island was a member, and submitted in language what he desired to have done on tops. For instance, he proposed the following:

All wool and hair of the goat—

This is a schedule of duties proposed by the National Woolen Manufacturers, not by Judge Lawrence—

All wool, hair of the goat, alpaca, and other animals, including wool or worsted tops and hair tops, which have been advanced by any process of manufacture beyond the washed or scoured condition, not otherwise enumerated or provided for in this act, shall be subject to the same duties as are imposed upon manufactures of wool not specially enumerated or provided for in this act.

Mr. ALDRICH. If the Senator will read——

Mr. DOLLIVER. Does it surprise the Senator from Rhode Island that that was put into the bill in 1888?

Mr. ALDRICH. If the Senator will read the act of 1890, he will find that that language is not in it.

Mr. DOLLIVER. The only difference in the language is that the act of 1890, instead of saying "including wool and worsted tops or hair and hair tops" omits those lines and says "in the form of roping, roving, or tops." The Senate bill of 1888 omits a reference by name to tops. Why? Because the meaning of the paragraph is exactly the same whether the name is there or not; and the only reason they were omitted was to throw confusion and uncertainty over what was meant by the language. But when you say "wool and hair advanced beyond the scoured condition," you do not have to say "tops," because it is unnecessary always to expose the details of a proceeding when you are manufacturing a tariff schedule outside of Congress.

Mr. ALDRICH. Mr. President——

Mr. DOLLIVER. I do not desire to debate that question further.

Mr. ALDRICH. Does the Senator from Iowa think it is fair to our late associate to say that every item in the bill of 1888 that was suggested by somebody outside of the committee was an item put there by outside parties? Does the Senator from Iowa think that our late associate was in the habit of having any man anywhere dictate to him what should go into tariff legislation?

Mr. DOLLIVER. Mr. President, that is a favorite strain of suggestion from my honored friend from Rhode Island. I have already suggested that I did not intend to debate those matters. I simply say that it did go in at the request of Mr. Whitman; and I am not surprised that my former colleague acquiesced in it, because eight years later a lament went up from the secretary of the American Wool Association, nicely ensconced in a confidential relation with the Finance Committee of the Senate, that in the sickness of the Senator from Rhode Island he found it impossible to explain this matter to Senator Allison and Senator Platt, and he longed for the return and help of the Senator from Rhode Island, so that there might be one man on the committee, at least, who would understand the matter. [Laughter.]

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. The Senator from Iowa, if he is at all familiar with the subject, knows that the matter then in controversy, or in correspondence, had nothing whatever to do with the duty upon tops.

Mr. DOLLIVER. Why, Mr. President——

Mr. ALDRICH. Mr. Whitman, who is alluded to, was opposed to the Senate provision on tops. The House bill fixed a duty on tops, which was reduced by the Senate. The House committee, of which the Senator from Iowa was a member, put a compound duty upon a compound duty upon tops. It was higher than the provision of the bill as it was reported from the Senate Committee on Finance in 1897, and the subject in controversy was not as to what the proper duty on tops should be.

Mr. DOLLIVER. The other day when I was, with some diffidence, trying to make a speech here and called attention to the fact that the secretary of the American Woolen Manufac-

turers' Association had written to his employers in Boston that he could not explain this woolen schedule to Senator Allison and Senator Platt, my friend from Rhode Island [Mr. ALDRICH] was instantly on his feet to say that it was not the wool schedule, but the question of tops that had baffled the perceptive faculties of Allison and Platt.

Mr. ALDRICH. Mr. President, I was associated with the late Senator from Iowa, Mr. Allison, for twenty-seven years, and with the late Senator from Connecticut, Mr. Platt, for twenty-four years in this body. No man can truthfully say anywhere in the world that those men, or either of them, did not understand fully everything in connection with any piece of legislation which they indorsed or which they presented.

Mr. DOLLIVER. I have heard that remark now for the third time, and——

Mr. ALDRICH. It is true.

Mr. DOLLIVER. And I notify the Senator from Rhode Island that if he desires to pronounce eulogies upon my friend, with whom I served also, not twenty-seven, but more than twenty years, and whom I loved as I loved my father, I desire the eulogies placed where they will be more appropriate than in this running discussion of the wool tariff.

Mr. ALDRICH. Will the Senator allow me to ask him a question?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. Does the Senator hold that his late colleague was ignorant of the details of the tariff duties upon wool and woolens?

Mr. DOLLIVER. The secretary of the American Woolen Manufacturers' Association, employed in a confidential capacity, without salary, except such salary and perquisites as were paid him by his employers in Boston, wrote to his employers that it was not possible to get Senator Allison and Senator Platt to understand this matter; that the only man on the committee that knew anything about it was sick; and he also said that he found it impossible to explain it, because Senator Allison and Senator Platt did not know of Whitman's agreement with Senator ALDRICH, but that they trusted him.

Mr. ALDRICH. Does the Senator from Iowa think that that statement was true? Does he think that the late Senator Allison did not know about the details of the wool and woolen schedule?

Mr. DOLLIVER. Mr. President, I have had so many troubles in finding my way through it myself, when giving my entire attention to it, that I do not think I would impeach the moral character of my former colleague if I said that I thought maybe he was bewildered also.

What is the object of the duty on tops? Tops are wool prepared for the worsted-yarn makers. They are combed, and men make a living, I understand, selling them to other people.

Mr. ALDRICH. I am sure the Senator does not want to get even into this first brief statement of his, subject to revision as it is, a statement which is not accurate.

Mr. DOLLIVER. Certainly not.

Mr. ALDRICH. The Senator from Iowa was a member of the Ways and Means Committee in 1897; and I remember, in the course of a conversation with some wool people, they asked him the question whether he knew what tops were, and he was obliged to answer "no."

Mr. DOLLIVER. I was very candid about it.

Mr. ALDRICH. I think the Senator is now displaying the same amount of knowledge.

Mr. DOLLIVER. Well, let me give a definition of tops. Tops are scoured wool advanced beyond that condition.

Mr. ALDRICH. Yes.

Mr. DOLLIVER. They are the raw material of the yarn maker.

Mr. ALDRICH. Yes.

Mr. DOLLIVER. They result from combing worsted wool for the purpose of manufacturing worsted cloth. They produce a by-product called "noils;" and in the manufacture of yarns there are certain wastes, called "slubbing" and "roving" waste. A peculiarity about the bill is that these tops, which have a market value everywhere in the world, are assessed at the rate provided for woolen cloth; and the noils, which are to be sold to others, are assessed at a prohibitory rate—I think 20 cents a pound—and the other minor wastes are assessed at prohibitory rates.

The manufacturer of worsted goods sells all these by-products to his competitors on his own terms. I have made up my mind that there is something wrong about that, and I am not without support among the great carded woolen manufacturers of the United States. So that, if nobody else does it, I intend to propose a little amendment to the duty on tops, reducing their dignity not much, but just beneath the dignity of the yarn, of which they are the raw material. Beyond that I do not think I will go, except that I should like to suggest to the Senator from Wyoming that, if he has leisure during some of the long summer nights, it might be a good idea for him to reflect upon the phenomenon now everywhere apparent—and becoming, I think, very portentous—the progressive elimination of wool from the clothing, the bedding, and the furnishings of the modern household.

Turning now to the duties on yarns and woven and knit fabrics of wool, I desire to call the attention of the Senate to the abuses which have grown into the schedules, many of them without the knowledge or consent of the Finance Committee of the Senate. I spoke the other day about the difficulty of understanding these schedules, and alluded to evidence now at everybody's hand that they were so complex and unintelligible that only one man on the committee was able to comprehend them. My friend from Rhode Island rose immediately to say that it was not the woolen schedule but the duty on tops that bewildered the late Senator Allison and the late Senator Platt of Connecticut, two trained and alert students of our practical affairs, whose names do not suffer by comparison with the greatest statesmen who have illustrated the intellectual dignity of American public life. In the name of sense, if these men could not understand the top question, what excuse is there for seeking to belittle the efforts of others who in trying to serve their own day and generation are engaged in exposing the trickeries that in the course of a half century have found hiding places throughout the woolen schedules?

The chief fault to be found with this schedule of the pending bill lies in the fact that it adopts a scale of duties 20 years old without the slightest effort to readjust them so as to mitigate the inequalities which they have imposed upon more than one department of the woolen industry in the United States.

And if I understand the committee's work correctly, they just gathered around this old law, which has passed from one generation to another, and said: "This is a hard subject and a fighting subject and a tiresome subject; we have got the woolgrowers and the wool manufacturers so that they are not going to raise any row about it, and the best thing for our comfort and convenience is just to let it alone." Am I not correct about that?

Mr. WARREN. As the Senator seems to be propounding that question to me, I will say that he has already stated that he gets his information and the suggestion of an ad valorem tax very largely from the wool manufacturers. Is not that so?

Mr. DOLLIVER. No; I thought of that myself. [Laughter.]

Mr. WARREN. What about the carded-wool manufacturers, from one of whom you have just quoted? Are they not satisfied?

Mr. DOLLIVER. Not very.

Mr. WARREN. I know how true the Senator wishes to be to the farming interests and to the farmers and stock growers; and I know that in any amendment he may offer he will not desire to put a duty on manufactured articles low enough, so that instead of the wool coming in in its raw state it will come in manufactured, wholly or in part.

Mr. DOLLIVER. No, sir; but I will tell you what I will do. If I could enjoy for two hours the undisturbed society of the Senator from Wyoming, I would show him that these gentlemen have fixed up a wool proposition with him, in which the man who buys 100 pounds of high-shrinkage wool, which shrinks to 30 pounds in the washing and scouring, has to pay duty upon that wool of 36¾ cents per pound, whereas the worsted people, who are importing English wool and Canadian washed wool, find themselves in this measure confronted by a very beautiful situation of their own arrangement. The woolen cloth manufacturer, if he imports wool washed, pays not 11 cents, but 22 cents for it; but the worsted importer of wool imports wool at 12 cents, whether it is washed or not.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. I do not want to take but one into the class. [Laughter.]

Mr. SMOOT. I do not think the Senator wants to make any statement here that is not correct. I want simply to say this——

Mr. DOLLIVER. The Senator from Utah will have ample time. There is going to be no hurry about this; and I want at least to get the privilege of stating my own conclusions in respect to it.

Mr. SMOOT. If the Senator——

The PRESIDENT pro tempore. The Senator from Iowa declines to yield.

Mr. SMOOT. If the Senator from Iowa wants to make a statement here that is not correct——

Mr. DOLLIVER. What statement does the Senator wish to correct?

Mr. SMOOT. The Senator was speaking as to the worsted people using coarse wool——

Mr. DOLLIVER. I did not say "coarse wool." I said English wool and Canadian washed wool.

Mr. SMOOT. Instead of that, the people of this Nation use 90 per cent of western wool——

Mr. DOLLIVER. They use a good deal of the Utah wool.

Mr. SMOOT. They use nearly all of the Iowa wool.

Mr. DOLLIVER. This scheme has nearly destroyed the wool industry in Iowa.

Mr. SMOOT. So far as that is concerned, I do not want to discuss it. If the Senator does not want any interruptions, I shall not attempt to further interrupt him.

Mr. ALDRICH. Mr. President, I would suggest to the Senator, in view of the language he has been using in describing these articles, that it might be well for him to secure the services of some practical man to revise his speech before he publishes it.

Mr. DOLLIVER. This speech is not made without the advice of practical men. I have undertaken to put myself in the society of men who understand these matters, or I would not be here forcing my views on the Senate of the United States.

Mr. ALDRICH. The Senator stated that the duty on washed wool was 36⅔ cents. It is of no consequence, but it is not correct.

Mr. DOLLIVER. I said on wool of a certain shrinkage scoured after importation.

Mr. ALDRICH. Thirty-six and two-thirds cents.

Mr. DOLLIVER. Yes, on wools that shrink 70 per cent.

Mr. ALDRICH. The duty on scoured wool is three times the duty on washed wool.

Mr. DOLLIVER. I am not talking about the duty on scoured wool. That is not imported. I am talking about wool which shrinks 70 per cent in scouring after it gets here.

Mr. ALDRICH. It does not make any difference whether it shrinks 70 or 700 per cent. The duty is all the same.

Mr. DOLLIVER. Let me show that it does. If a man imports a hundred pounds of wool that shrinks to 30 pounds, he pays a duty of 11 cents a pound upon the raw wool. Eleven times a hundred is $11, and when his wool shrinks from 100 pounds to 30 pounds, and you divide $11 by 30, what do you get per pound as the duty actually paid?

Mr. ALDRICH. But the Senator said the duty on the scoured was 36⅔ cents, whereas in the case he cites it would be 33 cents and not 36⅔.

Mr. DOLLIVER. Mr. President, I wish to point out another folly in the woolen schedule. It is not only too old for our use now, but in addition to that, the readoption of these old rates disappoints a reasonable public expectation that the people should be allowed to participate in those economies of production which have everywhere appeared in the business world, and have a share in that steady progress of the industrial arts which we have been led to think is characteristic of our country and our times. In other words, if these rates were high enough twenty years ago, they are too high now, unless we admit that the weaver's craft is at a standstill in America—a thing which nobody believes for a moment.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. Certainly.

Mr. CARTER. If the Senator will permit me, I desire, before he passes from worsted manufacture, to inquire whether I correctly understood him as stating that worsted goods were chiefly manufactured out of what is known as "second-class wool," which is admitted at 12 cents per pound?

Mr. DOLLIVER. I said—and tried to show, at least—that second-class wool, admitted at 12 cents a pound, whether washed or unwashed, is manufactured into worsted goods.

Mr. CARTER. I desire the Senator to answer the question, if he will, whether I am to understand his statement to be that worsted goods are chiefly manufactured from second-class wool.

Mr. DOLLIVER. I have no statistics at hand that would enable me to make an intelligent statement about that——

Mr. WARREN rose.

Mr. DOLLIVER (continuing). And I do not want any. [Laughter.]

Mr. SMOOT. I do not blame the Senator.

Mr. WARREN. I congratulate my good-natured friend on the happy state of mind he is in. I have always maintained that a man to make a really good and popular speech does not want any statistics and not very much knowledge on the subject. Now, I want to ask a question.

Mr. DOLLIVER. A wiser man than either of us—old Thomas Carlyle—has said that the chief practical use of statistics was to keep the other fellow from lying to you. [Laughter.]

Mr. WARREN. In order to follow that line, I want to ask the Senator a question, since he has devoted some portion of his speech to me. The Senator from Montana has asked whether second-class wools go into worsteds, and whether all the worsteds are made of second-class wool.

Mr. DOLLIVER. I replied that second-class wools did go into worsteds, and I do not know how much of other kinds of material.

Mr. WARREN. Only about 7 per cent of all the wools imported are second class wools. For the last sixteen years——

Mr. DOLLIVER. I notice that they are arriving at the rate of a million pounds a month now.

Mr. WARREN. And therefore worsted, being the cloth now most generally worn, must naturally be made largely from first-class wool and not exclusively from second class. Second-class wools are used for luster goods, but furnish only a small part of the whole stock consumed in the manufacture of worsteds; and 7 per cent is all the second-class wool imported, out of a total 100 per cent imported wool of the three grades—first, second, and third class.

Mr. DOLLIVER. Mr. President, when I say that the natural progress of the art of weaving ought to have suggested a gradual reduction of these rates I am not guilty of any heresy. I got the idea in 1897 when Governor Dingley reported to the House of Representatives the great bill which bears his name. He seemed to take pride in saying that we had reduced nearly all rates below the level of the McKinley bill, leaving them, however, still amply protective.

I have in my possession a letter over the governor's signature in which he said: "We expect to cut nearly all our duties considerably below the act of 1890." That was his view of a sound public policy, even when the committee was holding its deliberations in the midst of a universal wreck of American business. Not only did the act itself, except as to wool and woolens, considerably reduce the scale of the McKinley rates, leaving it, however, still amply protective, but there was embodied in the Dingley law what appeared to be a prospect of still further reducing the entire dutiable list through diplomatic negotiations for the more favorable admission of our export merchandise. It was no credit to either House of Congress, however justified it may have been by the exigencies of party politics, that Schedule K survived that honest effort to reduce duties which was effective in nearly all the other tariff schedules.

But to say that that failure of the Dingley Act represented the wisdom of any American statesman or any disinterested expert on our tariff problems is simply to take advantage of those whose sources of information are limited.

I had in those days a daily association with one of the most extraordinary students of our customs tariff system who has ever been connected with the Treasury Department. He was a famous and honored citizen of my own State, and, having been requested by the historical society connected with our state government to prepare a brief sketch of his remarkable career, I have had access to his papers, letters, notes, and memoranda, not only on the tariff act of 1897, which he helped the committees in both Houses to prepare, but as far back as 1888, when he was closely associated with Senator Allison in the preparation of the Senate substitute for the Mills bill, upon the popularity of which General Harrison was elected President of the United States. I refer to Col. George C. Tichenor, who rose in the service of the Treasury Department to be Assistant Secretary, with the customs service under his charge, and afterwards to be chairman of the Board of General Appraisers under the administrative customs act which he helped Senator Allison to prepare. He was honored with the confidence of Democrats and Republicans alike. He qualified as an expert on the wool question by lifelong studies on the farm and in the factory, and from the custom-house to the port of invoice, spending five years in Europe searching out every secret of our foreign commerce. I call the Senator from Rhode Island to bear witness, for he was his friend, to the unrivaled mastery which he acquired over all the questions with which we have to do here, and especially this wool question, which we have, with a sort of hereditary cowardice, turned over to the parties who are selfishly interested in the rates.

I find among Colonel Tichenor's papers a letter, dated June 24, 1897, in which he gives an unbiased opinion of the wool

schedule which it is now proposed to reenact without even the stale formality of debate. I read an extract, as follows:

> The manner in which the so-called "wool compensatory duty" is expressed in the different paragraphs of the Senate bill relating to manufactures of wool is *cumbersome, confusing,* and *deceptive.* It was employed for the first time in the tariff act of 1890, and, it was hoped, for the last time. The method of expressing the specific duty is lacking in *symmetry, simplicity,* and *honesty.* It is intended to convey the impression that the article contains a certain number of pounds of "unwashed wool of the first class," which, in fact, is *not really accurate in any case* and is *wide of the truth in most instances.* For example, it is known to everybody that the coarser and cheaper cloths, blankets, and flannels, contain very little, if any, wool of the *"first class,"* unless it be the "aged and infirm" conditions of shoddy, mungo, or flocks. A good deal of the "wool of the first class" in these goods is *cow hide* or *common goat hair* or *cotton.* Furthermore, there are but few woven cloths or knit fabrics imported in the manufacture of a pound of which as much as 3½, much less 4, pounds of wool of the "first class" is used. In the case of ready-made clothing and articles of wearing apparel, provided for in paragraph 368, it is well known that neither 4 pounds nor 4½ pounds of wool of the "first class" is actually consumed in the manufacture of a pound of such goods. On the contrary, the quantity of wool thus used is probably not more than 3 pounds, upon an average. The paddings, linings, buckram, buttons, and so forth, go largely toward making up the weight of all such goods.

I will not stop to add a word to this blunt and fearless description of the scheme of the McKinley bill as to woolen goods. Colonel Tichenor tried faithfully to serve the people of the United States while he lived, and I do not regard it outside of my duty here in the Senate to try to perpetuate the influence of his words, now that he is dead.

It is my purpose now to examine somewhat closely the state of our foreign trade in woolen goods, in order to verify what I had occasion to say the other day as to the excessive and prohibitive character of these tariff rates, for it ought not to be forgotten that while a proportion of the aggregate assessments may be properly said to reimburse the manufacturer on account of increased cost of his material, it is nevertheless at the same time and to its full amount the barrier over which all imported goods must pass. According to the Bureau of Statistics, in its report for 1907, the actual importation of manufactures of woolens and worsteds were as follows:

| | | |
|---|---|---|
| Women's and children's dress goods, coat linings, etc., cotton and part wool, chiefly cotton, 13 to 23 cents per square yard | | $9,526,752 |
| High-grade woolen and worsted cloth, average value, $1.12 per pound | | 5,369,487 |
| Carpets and rugs | | 4,420,145 |
| Clothing and wearing apparel | | 1,852,563 |
| Webbings, gorings, suspenders, laces, etc | | 293,000 |
| Shoddy, mungo, waste, etc | | 288,180 |
| Felts | | 111,405 |
| Yarns | | 133,937 |
| Plushes and pile fabrics | | 19,548 |
| Blankets | $42,200 | |
| Knit fabrics | 10,216 | |
| Flannels | 60,548 | |
| Cheap woolens and worsteds | 216,614 | |
| | | 329,578 |
| Total | | 22,344,595 |

It will be seen, therefore, that the entire importations of 1907 of these cheaper woolen goods amounted to $330,000, producing a revenue of $370,000, the total importation being insignificant in comparison with our production. I ask you to observe how these imports fare at the custom-house. Of the total amount, $216,610 were woolen and worsted cloths, as follows:

| | |
|---|---|
| Average value 39 cents per pound, dutiable at 33 cents per pound and 50 per cent ad valorem, or 135 per cent | $27,693 |
| Average value 64 cents per pound, dutiable at 44 cents per pound and 50 per cent ad valorem, or 119 per cent | 188,917 |

The well-ascertained value of foreign wools, printed in our own books of statistics, indicates conclusively that such goods as these, valued at less than 70 cents a pound, could not contain 3, much less 4, pounds of wool of the first class, and that fact makes the so-called "compensatory duty" a mere device for totally excluding foreign competition.

Of cloths valued at over 70 cents a pound, being the higher grades of English woolens, over $5,000,000 worth were brought in in 1907, paying a duty approximating 94 per cent on an average valuation of $1.12 per pound. Whatever my doubts about it, I am not able to successfully dispute that it might require 4 pounds of wool of the first class to produce a pound of such goods; and I will not deny that a man making such goods in the United States, if the old wool tariff is preserved, may properly ask his fellow-citizens to reimburse him to the full amount of the 4 pounds of unwashed wool to the pound of cloth, not because the wool he uses has a uniform shrinkage like that, but because his competitor on the other side has access to wools which are very cheap on account of this extreme shrinkage. I make this concession somewhat reluctantly. The reasoning is not my own; I got it years ago listening to a speech by the honorable Senator from Rhode Island, but if I make it no clearer to you than it is to me, we are all in the dark together. [Laughter.]

Let me call your attention to the statistical circumstances which attend the introduction of blankets and flannels into the United States. In 1907 we brought in $42,000 worth, as follows:

BLANKETS.

| | |
|---|---|
| Average price, 28 cents per pound; duty, 22 cents per pound and 30 per cent ad valorem; average duty, 107 per cent | $316 |
| Average price, 46 cents per pound; duty, 33 cents per pound and 33 per cent ad valorem; average duty, 106 per cent | 219 |
| Average price, 28½ cents per pound; duty, 33 cents per pound and 50 per cent ad valorem; average duty, 165 per cent | 40 |
| Average price, 62 cents per pound; duty, 44 cents per pound and 50 per cent ad valorem; average duty, 121 per cent | 3,668 |
| Price, 89 cents per pound; duty, 44 cents per pound and 55 per cent ad valorem; average duty, 105 per cent | 8,217 |
| Price, $1.05 per pound; duty, 33 cents a pound and 40 per cent ad valorem; average duty, 71 per cent | 29,737 |

FLANNELS.

| | |
|---|---|
| Valued under 40 cents per pound; price, 19 cents per pound; duty 22 cents a pound and 30 per cent ad valorem; average duty, 143 per cent | 24 |
| Valued over 40 cents a pound and under 50 cents a pound; price, 49 cents; duty, 33 cents a pound and 35 per cent ad valorem; average duty, 101 per cent | 128 |

In addition, imports amounting to $50,000 of flannels, valued above 70 cents a pound, were brought in in 1907, at an average ad valorem of 106 per cent.

I now approach somewhat timidly paragraphs 376 and 377, and it will help me along amazingly, if you have the books handy, if you will turn your eye upon those two paragraphs, because I want to say something definite in respect to them.

A glance at the first paragraph shows clearly that it does not belong in the schedule of woolen goods, for it refers only to cloths in which the warp consists entirely of cotton and the rest of it wholly or in part of wool. The experts from the Department of Commerce and Labor, who testified before the House committee, showed distinctly that the filling of such goods could not possibly be all of wool owing to the structure of the cloth. It is not probable that there could be more than two-thirds of the filling wool, and the fact is that it contains actually very much less in most instances. Therefore it ought to be classed as cotton goods, with a compensatory rate attached in addition to the cotton rate applicable to the wool contained therein. It will be observed that these rates advance, both the specific rate and the ad valorem rate, with the price of the goods, until you come to goods weighing over 4 ounces to the yard. At that point you reach a proviso, which the House committee very properly omitted, for it transfers all goods above that weight in a cloud of language unintelligible, so far as its vital effect is concerned, outside of the analytical bureau of the appraiser's office in New York, to a classification intended originally for goods manufactured out of wool of the first class. If I were called upon to guess what it was that mystified Senator Allison and Senator Platt in 1897 and drew from the secretary of the Woolen Manufacturers' Association that sad lament that the only man on the committee to whom it could be explained was unfortunately sick, I would not select the plain and open-faced duty on tops even when concealed under the description of wool or hair advanced beyond the washed or scoured condition, but would pick out some such provision as this, and attribute their discomfiture to that.

The following section is another good illustration of the blind-bridle attachments that have been put onto the working harness of Schedule K. You would naturally think that it dealt with a different kind of goods, but neither the appraisers at New York nor the statisticians here seem to think so. The only difference is that in the first section the goods must be mostly cotton, and under the second they are just as likely to be cotton as not; and when you come to understand that the lifelong promoters of this bungling legislation are just as deeply interested in cotton as they are in wool manufactures, you can the more easily understand the situation. If I had my way about it I would reduce some of these rates, and I would certainly in view of the fact that the combined imports under both these provisions indicate only a small and precarious entry of such merchandise compared to its domestic production, I would at least strike out these mischief-making provisos; or, if I left them in, I would see to it that the goods, when they landed in the classification of cloths made out of wool of the first class, would encounter a "joker" put in on behalf of the public, confining their compensatory specific to the weight of the wool contained in a pound of the cloth.

I desire now to speak of some of the morbid and abnormal influences which have gone out from Schedule K to vitiate the tariff system of the United States. The high rates imposed

throughout the schedule have been peculiarly attractive to laborers in other departments of the textile vineyard, and it is easy to trace the movements of greed in more than one schedule framed to protect these industries. Manufacturers in other textile departments have been persistent in their efforts to get the advantage of the rates on woolen goods. Makers of silks, of cottons, and of furs, not satisfied with their own rates, have sought shelter among the slippery provisions of the wool tariff. We have already seen how hospitably the manufacturers of cotton have been received. It takes only a slight investigation of the silk schedules to see how easily that product puts itself into partnership with the enterprise.

The manufacturers of fur garments, not content to gratefully accept the modest 35 per cent accorded them by the present law, have been able to secure here the increase of their rate to 50 per cent, provided they contain no wool. I do not know whether they are entitled to that or not, but I do know that they ought not to be allowed on account of the presence of wool in the lining or elsewhere in the garment to pass over to the wool schedule, where, in addition to the 60 per cent ad valorem, they will enjoy a bogus compensatory of 44 cents per pound on the weight of the whole garment. The root of this abuse lies in Schedule K, where all sorts of manufactures, whether cloths or clothings or anything else containing a trace of wool, must be weighed up under its benign provisions. If it operated merely to affix excessive rates to articles not entitled to them, it would be bad enough; but it operates also to bring our protective-tariff system into ridicule and contempt. Why should a fur coat, with a cotton lining or no lining at all, be assessed 50 per cent ad valorem, while with $2 worth of wool lining it takes 44 cents per pound and 60 per cent ad valorem? But that is not an extreme case. I spoke the other day of a cotton blanket, with a fringe of wool to prevent unraveling, received hospitably at the custom-house and solemnly charged up with the specific compensatory calculated a generation ago for woolen goods, but that is not an extreme case.

Mr. ALDRICH. Will the Senator allow me?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. Has the Senator ever seen a cotton blanket with wool fringe or wool selvage? Does the Senator think it is possible to make a blanket with a woolen selvage?

Mr. DOLLIVER. I heard of this case from reputable people.

Mr. ALDRICH. Possibly reputable people, but——

Mr. DOLLIVER. I think I can bring in the blanket.

Mr. ALDRICH. I think you can not.

Mr. DOLLIVER. But I do not want to cover up the subject. [Laughter.]

Mr. ALDRICH. I do not think you can bring in such a blanket.

Mr. SMOOT. It can not be made.

Mr. DOLLIVER. That is not an extreme case. I have in my hand the brief——

Mr. ALDRICH. While the Senator is looking——

Mr. DOLLIVER. I have quit looking.

Mr. ALDRICH. Permit me to say it would be physically impossible to make an article of the character he has mentioned.

Mr. DOLLIVER. I will discuss that question when we come to that schedule. It is fully described in a decision of the Board of Appraisers in General Appraisers, 4313. I have in my hand a brief for the petitioners in the case of A. J. Woodruff & Co. *v.* The United States, in the circuit court for the southern district of New York, in which they were trying to escape paying duties under Schedule K on a sofa and a set of chairs in the upholstery of which traces of wool appeared.

I will read a short extract from it, for it takes us into the Cretan labyrinth of the wool tariff, with nothing to guide the footsteps of our return unless we hold fast to the trusty clew of worsted yarn provided for the exploit by outside friends. Now listen to this:

> The appraiser first examines the furniture, finds that the covering of the sofa and chairs is tapestry, of which the chief value is silk, and that the silk is the highest valued component in the furniture. Construing the provisions for furniture of wood as being limited to furniture in chief value of wood, he places the articles in the provisions for manufactures in chief value of silk in paragraph 391. But paragraph 391 has a proviso which says that manufactures of silk in part of wool must pay the wool duty. He therefore turns to paragraph 356, finds that the rate of the wool duty depends upon the value per pound of the cloths, knit fabrics, and all manufactures of every description there provided for, and proceeds to ascertain the weight, not of the fabric, but of the furniture. He finds that the furniture weighs 200 pounds and is worth $1,592. He divides 200 pounds of furniture into $1,592 and finds that a pound of sofa or a pound of chair is worth over 70 cents. He now consults paragraph 366 again and finds that when a pound of chair is valued over 70 cents it must pay four times the duty of 1 pound of unwashed wool of the first class and 55 per cent ad valorem. He turns to paragraph 357, where he finds that the duty upon all wool of the first class is 11 cents a pound. He multiplies this by 4, gets 44 cents, then multiplies by the pounds of wood, tapestry, padding, springs, nails, tacks, etc., and gets the specific duty, to which he adds 55 per cent of the invoice value.

Mr. ALDRICH. What is the Senator reading from?

Mr. DOLLIVER. I am reading from a brief by a great lawyer in New York presenting a case to the circuit court of the United States.

Mr. ALDRICH. What was the decision of the court in that case?

Mr. DOLLIVER. The appraisers decided that the law required the collection of the wool duty.

Mr. ALDRICH. What did the court decide?

Mr. DOLLIVER. The court decided that it was an intolerable absurdity. Both the tribunals were right [laughter]; and we have now in the United States the funny spectacle of this Government, 90,000,000 and more of fairly sensible people, solemnly pursuing that preposterous thing in the circuit court of appeals.

Mr. ALDRICH. What preposterous thing?

Mr. DOLLIVER. The preposterous thing to which I have been referring. If it does not impress the mind of the Senator, I would despair of being able to allude to it any more distinctly.

Mr. WARREN. Is the case now in court?

Mr. DOLLIVER. Yes. But that is not an extreme case. We have in the United States an interesting institution engaged in the manufacture of rubber goods, advertising in the Boston newspapers that it absolutely controls the business, as a sign of good credit, so that people in dealing with it will have confidence, and persons who are purchasing stock will not be without faith in the enterprise. I notice that in this bill they have enjoyed a slight accretion of duty from 30 per cent to 35 per cent. But I am not going to complain about that, because I have not gone into the practical aspects of the subject. However, the curious thing about it is that throughout a large list of their merchandise they enjoy a protection which Congress in its simplicity thought it was extending to clothing made of wool.

It will interest most people to know that the gum boots with which the farmers of America are wading around in in the snows of winter are lined usually with wool, and that when a box of them appears at a port of the United States they are not troubled by the 30 per cent duty on manufactures of rubber. Why? Because they are otherwise provided for. How? This law which we refuse to even look at with a view of correcting errors and absurdities transfers this merchandise bodily to paragraphs intended to protect woolen clothing, and we see the fine vaudeville sketch of a pair of rubber boots being solemnly weighed up in the custom-houses of the United States and assessed at 44 cents a pound and 60 per cent ad valorem as wearing apparel composed in whole or in part of wool.

Mr. ALDRICH. Mr. President, does the Senator mean to state that any such importations have ever been made, and that any such duties have ever been charged?

Mr. DOLLIVER. Certainly no such importations have ever been made. This is now, I take it, for the purpose of making that everlastingly certain. Certainly nobody would ever start on an enterprise like that.

Mr. ALDRICH. Mr. President, rubber boots are cheaper in the United States than in any other country in the world.

Mr. DOLLIVER. Then why is there an increase from 30 to 35 per cent on manufactures of rubber?

Mr. ALDRICH. Because manufactures of rubber include——

Mr. DOLLIVER. If they are cheaper in the United States than anywhere else, I intend to move to put them on the free list.

Mr. ALDRICH. There are many other manufactures of rubber besides rubber boots.

Mr. DOLLIVER. I will single out the boots and move to put them on the free list. I am on the side of the citizens who sometimes have to walk in the mud to the polls to vote the Republican ticket in Iowa.

Mr. ALDRICH. We have automobile tires made of rubber—a great quantity of them.

Mr. DOLLIVER. It would not require very much sagacity to separate an automobile tire from an ordinary gum boot. Besides, automobile tires seem to be down in this bill in the metal schedule at 45 per cent.

Mr. ALDRICH. There is no rate of duty of that kind or form put in by any decision of any court or by anybody else.

Mr. DOLLIVER. "Manufactures of rubber." Did not the Senate committee, in providing for the duty——

Mr. ALDRICH. The Senate committee on the woolen schedule followed precisely the act of 1897 in every word; they have not changed it.

Mr. DOLLIVER. That is exactly what I am complaining about.

Mr. ALDRICH. Well, that is all right.

Mr. DOLLIVER. Because no rubber boots would be brought into a port so inhospitable as to charge them 44 cents a pound and 60 per cent ad valorem.

They do make rubber boots on the other side of the water, and in making those rubber boots there is a little scrap left over like that [exhibiting]. It is rubber with a little wool fused into it by heat, I reckon. There was a fellow out in Boston, one of the constituents of my honored friend here, who thought he would make an honest penny by going over the border and buying some of this rubber scrap. He looked at the Dingley law and found that old rubber that had finished its earthly pilgrimage was on the free list. But that did not satisfy him. He hired a lawyer, and was told that new rubber, or rubber not entirely gone up from a worldly point of view, was dutiable under the basket clause for wastes not otherwise provided for at 10 per cent.

He thought he could stand that, and so he brought in the stuff at Rouses Point, N. Y. They valued it at the custom-house at $400 and presented him a bill for duties of $1,600. He had encountered the wool tariff that goes on from one generation to another in the United States. He had got up against a proposition that this was subject to the duties provided for noils, wool extract, yarn waste, thread waste, and all other waste composed wholly or in part of wool. When he came to [laughter] he hired a lawyer, and they finally induced the Secretary of the Treasury to give him leave, although it was regarded as a strain on the administrative customs law, to pay the duty, recover all of it back except 1 per cent, and send the goods back under the drawback clause. [Laughter.] Yet there is no way to recover rubber from such waste without entirely destroying the fiber.

I might go on until dark exhibiting these absurdities. I say to you, gentlemen, that you can take the bill and dig more of them out in one night's careful investigation with the advice of skilled persons——

Mr. ALDRICH. You have got them.

Mr. DOLLIVER (continuing). Than I have given you or than you would have time to receive in the Senate Chamber of the United States.

Mr. ALDRICH. There are plenty of skilled persons of that kind in this country and in our competitors abroad studying this tariff question every day for the purpose of evading the law and destroying the protective system.

Mr. DOLLIVER. Do you dispute the truth of what I say about these things?

Mr. ALDRICH. I do not.

Mr. DOLLIVER. Then you ought not to attack men of character who have been sitting up nights with me.

Mr. ALDRICH. I do not intend to do that; but I intend to put in the RECORD, and I would be glad to do so now, if it would not interrupt the Senator——

Mr. DOLLIVER. It would seriously disturb the continuity of my discourse.

Mr. ALDRICH. When the Senator gets through, I will put in the RECORD statements made in the debate upon the act of 1897 by the late Senator from Arkansas, Mr. Jones, and the late Senator from Missouri, Mr. Vest, precisely along the lines of the statements the Senator is now making. They could be taken word for word and read by the Senator from Iowa and would produce the same effect.

Mr. DOLLIVER. I said at the beginning that if I speak the truth, if I confine myself to facts, I will not be diverted by the circumstance that some wayfarer in this wilderness in a former generation happened to strike the same things that have occurred to me.

Mr. ALDRICH. I only made that observation for the purpose of showing that the men who are trying to destroy this tariff are still "doing business at the old stand."

Mr. DOLLIVER. Mr. President, I resent that statement. I am not trying to destroy this tariff. I wish to leave it a Republican tariff that can be defended in the United States; and before I conclude I shall show the Senate that I stand not upon what Senator Jones, of Arkansas, said, but upon what Senator ALDRICH, of Rhode Island, did in 1888.

I propose now, Mr. President, by the kindness of the attention of the Senate, to point out not what I think ought to be done, but what I think it is feasible to do in order to remove from these schedules some of the absurdities and excesses of which I have been complaining. If I had my own way about it, the first thing I did would be to strike out the fictitious distinction between wools of the first class and wools of the second class. Without giving my own views about it, I intend to read a conversation which I had with a wool expert, an elderly gentleman who acted for the United States in the standardizing of the wool samples in the custom-houses of the United States, who happened to be in this city at the invitation of the Tri-State Wool Growers' Association of Ohio, Pennsylvania, and West Virginia in an advisory capacity.

The House of Representatives tried in vain to find out what was the origin of the unequal duty between clothing wools and combing wools. They could find nobody to answer the question. I found clothing wools there assessed at 11 cents and called "first-class" which by the time they got into the hands of the manufacturer were charged up at least 22 cents a clean pound, while the duty on combing wool, called "second-class" was 12 cents a pound, whether it was washed or unwashed. I wanted to know how such a curious thing ever got into a tariff law. I became all the more curious because I had to read it four or five times before I could notice the joint where the proposition emerged. I handed it to intelligent men and asked them if they saw any distinction in that language between clothing wools and combing wools, and one after another bright men said "I can not see any distinction." If you will get the paragraph and read it yourselves, you will notice with what delicacy of phrase, worthy of poets and artists, this distinction has been wrought into the very foundation of the wool tariff by which washed combing wools of Class II, shrinking 20 per cent, come here practically at 15 cents a pound, while wools of Class I, shrinking 65 per cent, pay 31 cents a pound, owing to shrinkage in cleaning, or in cases of an extreme shrinkage, as I tried to show a moment ago, at 36⅔ cents a scoured pound.

So I was interested when this venerable saint of Israel came into my room and said that he had heard that I was interested in the wool schedule. He talked with such intelligence and such interest that I asked him if it would be disagreeable if I took down his conversation in writing. He said he would offer no objection, and so——

Mr. WARREN. If the Senator does not mind, I should like to make an observation there as to wools of the first and second class and worsted wools.

The PRESIDING OFFICER (Mr. BRISTOW in the chair). Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN. In the present handling of wools and with French combs, and so forth, now in use, a very large proportion of wool of the first class becomes worsted stock. I want to say that, as the Senator has said, scoured wools are not imported to any great extent, and that the first-class wools that are imported unwashed and unscoured are "skirted." So they come in at a shrinkage of about 50 per cent on an average.

Mr. DOLLIVER. I beg the Senator's pardon, I am so anxious to condense this discourse that instead of putting my own words in this speech I have taken the words of another, and I beg him not to extend the matter, as that is the very question my old friend Edward A. Greene is about to discuss.

Mr. WARREN. I know to whom the Senator refers.

Mr. DOLLIVER. I want to read the conversation.

Mr. WARREN. I will not take the Senator's time now, but I want to say that his statement regarding the shrinkage of the first-class wools imported is wide of the truth, if the average of importations is considered.

Mr. DOLLIVER. Here are the questions and answers. It is not strictly a platonic dialogue, but in these commercial times it may pass.

Mr. Greene stated that he had been in the wool business since 1855, and then the conversation proceeded as follows:

Q. Have you ever given any attention to the phraseology of the wool tariff?—A. I have.

Q. There is one thing in this wool tariff that I have not been able to understand—a good many things, in fact, but this one particularly. Why has the language been so arranged as to double the rate on wools of the first class which are washed and at the same time leave the original rate on wools of the second class whether they are washed or not?—A. In 1867 the only wools that were imported into this country of the first class were from the Cape of Good Hope and from South America, the latter called "mestizo." The Cape wool shrank from 60 to 70 per cent; the mestizo shrank from 65 to 75 per cent. That was practically two-thirds. Washed wool was taken then at 20 cents and unwashed wool at 10 cents.

Q. You refer to the high shrinkage of wools. Now, in the case of the other wools of low shrinkage, the law seems to have made no distinction as to whether they were washed or unwashed?—A. Mr. Edmunds, who was treasurer of the Pacific Mills, at that time the largest worsted mills in the country, said: "This will not do for me. I must use either English or Canadian wools." They are all washed; and while he had a compensatory duty based on unwashed, he succeeded in getting the duty on washed wool the same as had been put on unwashed. His mills were, and are now, located at Lawrence, Mass.

Q. Do you think Mr. Edmunds helped to put these washed and English wools into the tariff bill with a view to the prosperity of the business that he was in?—A. He naturally was looking out for his own interests.

Q. Has that provision of the law operated to create any inequalities as between the worsted manufacturers and the carded woolen people, and how has it affected the woolgrower?—A. The worsted manufacturers have had the big end of the horn from that day to this. They get the same compensatory duty. They have injured the carded woolen manufacturers and the woolgrowers. The carded woolen people and knit-goods makers have to buy a good part of their materials from the other fellows—their tops and the noils which are the by-product of top making, besides the other wastes which enter into cloth and knit goods. The sheep people also are beginning to see where they come in. With class 2 wools, shrinking only slightly in the scour, entering at 12 cents a pound after being partly cleaned by washing, the husbandman finds not 24 or even 22 cents a washed pound between him and his foreign rivals, as he has supposed, but only 12 cents, much of which the importer gets back by selling in competition with native wool the noils and wastes of the worsted mills now protected in the tariff by rates wholly prohibitory. Here is the automatic retarder of domestic wool prices working all the time.

I think it is time to have that inequality corrected, although it may be to do so would require other changes in the law which I have not yet had time to explore.

I have already called attention to the advisability of amending the provisions in this bill applicable to wool not otherwise provided for when advanced beyond the scoured condition. That absurdity, which everybody seems willing to cast off now, had its origin also in the fertile brain of the president of the most important worsted mill in America. Its modification, with a view to putting the duty on tops at least below the duty on yarn, will tend to remove inequalities, or, at least, to cut excrescences.

I think that error ought to be corrected, and I hope the committee will see to it that in the adjustment of those rates the duty is not made excessive on tops and that it is sufficiently reduced on noils and other wastes of worsted manufacture; in fact, on all wool wastes, so as to prevent it, at least, from being totally prohibitory in its operation.

As to yarns and all kinds of cloth, whether made in whole or in part of wool, it is proposed by amendments which I will have the opportunity to offer later to effect a small reduction in the higher ranges of the woolen rates by making the compensatory duty applicable not to the weight of the cloth, but to the weight of the wool contents of the cloth. It is intended by this change not only to scale down in a moderate way these high duties, but to remove the temptation of persons vaguely groping about in search of a higher rate, yet unwilling to publicly avow their purpose to grasp the glad hand extended through the cracks in the paragraphs of Schedule K. A still more radical reform is proposed in striking out provisions however harmless in their original purpose which are drawn in such comprehensive language as to add confusion to our tariff classifications and to covertly increase the rates on a great variety of articles that ought to stand in the light of day on their own merits.

Finally, it is proposed to resolve the uncertainties which surround this schedule in nearly all its paragraphs by a general provision in the nature of a duty beyond which no rates can be lawfully assessed. The literature of this discussion is so full of finespun theories about the deceptiveness of rates which, when expressed in ad valorem equivalents, seem alarmingly high, while in point of fact they are just and reasonable, and the argument is so persuasive about the general effect of our tariff in giving the people a cheap and serviceable cloth and it is so fashionable for gentlemen to appear before the committee of Congress sporting a brand-new $10 suit of clothes, that I have concluded to take them all at their word by offering a proviso that the rates levied in this schedule, specific and ad valorem, simple and compound, when taken together, as applied to any article, shall in no case exceed 100 per cent.

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. I will put into the RECORD also several amendments of the precise class which the Senator is now offering, which were offered to the act of 1897, and also the objections which were made to those amendments by Senator Allison.

Mr. DOLLIVER. I trust the Senator may have the privilege of doing that; but I would be greatly obliged to him if he would not disturb my remarks by a premature announcement of all his masterly strategic purposes.

I have caused an expert calculation to be made of the effect on rates of all the changes which I have suggested, and it has gratified me to find that the proposals work out in moderate reductions, especially upon those articles the like of which enter into general use and consumption throughout our country, which is a matter worth consideration. The great industries of the United States have no better friend than I am now and have been all the days of my life. I desire to see the wages of American labor maintained; I desire to see the investments of American capital attended with success; but at times like the present, with half of the worsted interests of the country already absorbed by two great corporations, and a third now forming, with a proposed speculative capital of $25,000,000, I stand here to defend the people against the exactions of avarice and to defend the good name of protective tariff against those who are using it as a mere asset in the operation of financing conspiracies in restraint of trade. In the effort I have made to state the woolen rates in more moderate terms, I have been of course compelled to ignore the authority of the McKinley Act, however great it may be, and to reexamine the framework of the Dingley law, notwithstanding my reverence for the memory of that good man.

I confess, Mr. President, that I was hurt somewhat a few days ago, although I do not seem to show it much now, by what looked to me at the moment as an unkind allusion to me personally by the Senator from Rhode Island.

Mr. ALDRICH. That is not possible.

Mr. DOLLIVER. The Senator from Rhode Island desires even now, apparently, to put me outside of the breastworks, where so many good people have perished for the want of ventilation. [Laughter.]

I confess that my sensibilities were not untouched by the Senator from Rhode Island, who when speaking in the Senate the other day referred to my late colleague, using words intended apparently to represent me to the country, in contrast to him, as a weakling, tossed about by every wind of doctrine. Yet, the Senator himself, in 1888, in reporting the Senate substitute, denounced the Mills bill because it bore with hardship upon the great mass of the people, by making the rates upon common dress goods and clothing oppressive and prohibitory, and whoever will study carefully the rates throughout the woolen schedule, prepared with painstaking care, by a subcommittee of which Senator Allison was chairman, will see how far we have departed from the good sense and moderation of other years. That bill, which afterwards commanded every Republican vote in the Senate, and won the presidential campaign of 1888, reduced the woolen schedule more radically than I propose to do now. So that, instead of despising the counsel of Senator Allison, or treating with indifference the sober judgment of the Senator from Rhode Island, I am standing upon the greatest act of constructive statesmanship which enters into their fame as leaders of the Republican party. What I ask to-day of party leaders, is to take us back, not to 1890, when McKinley in despair turned the making of the wool tariff over to a mass meeting of its beneficiaries; not to 1897, when Governor Dingley's avowed purpose to reduce the McKinley rates was vetoed by the threats and clamor of outside interests; but to 1888, when the Senator from Rhode Island labored month after month, day and night, with William B. Allison in the preparation of the only schedule of wool and woolens in forty years in which either the public interest or the welfare of the Republican party was made paramount over sordid private considerations.

I take the liberty, accorded to me by the Senate, of following what I have had to say upon the woolen schedule, with an exact record, which will reveal, at least in part, the kind of instruction I have had in preparing to submit my views on this question to the Senate. I have been pestered by repeated suggestions that I am presenting opinions originating in quarters hostile to the protective tariff, and while the Senator from Rhode Island is filling the daily RECORD with old Democratic opinions about the wool tariff, suggesting that I am following them, I take the liberty to print in the body of the speech which I am making a verbatim transcript of a conversation that I have had within the last few weeks with Mr. Samuel S. Dale, famous everywhere as a defender of the protective-tariff system, and in his capacity of editor of the Textile World Record, of Boston, recognized everywhere as a conscientious expert upon the subjects I have tried to discuss:

Q. Mr. Dale, you have here two samples of wool. Will you kindly describe them?—A. One is a sample of Cape wool received a few days ago from London, by way of Bradford. The estimated shrinkage in scouring is 70 per cent, yielding 30 pounds of scoured wool from every 100 pounds of grease wool. The other is a sample of English wool washed on the sheep's back, the estimated shrinkage being 20 per cent, yielding 80 pounds of scoured wool from every 100 pounds of grease wool. The duty on the wool like the first sample is 11 cents a grease pound, or 36⅔ a scoured pound. The duty on the wool like the second sample, of English wool, is 12 cents a grease pound or 15 cents a scoured pound. Equally wide variations in shrinkage occur in wools of the first class, it being possible to find wools of class 1 shrinking as high as 80 per cent and as low as 20 per cent. In one case, the buyer gets 20 pounds of scoured wool from 100 pounds grease wool; in the other case, he gets 80 pounds scoured wool from 100 grease wool. And yet the Dingley law imposes a duty of 11 cents a grease pound ($11 a hundred pounds) in each case. Thus the user of the first lot pays a duty of $11 on 20 pounds clean wool, while the user of the second lot pays the same duty, $11, on 80 pounds clean wool. I have, however, selected samples of both classes—1 and 2—in order to

illustrate the inequality in the present tariff on washed and unwashed wools. A duty on wool should be judged by the amount per scoured pound. The Dingley law fixes the duty on scoured wool at 33 cents a pound, which is supposed to be the protection granted to the American wool grower. As a matter of fact, however, practically no wool is imported in the scoured condition, while none of the imported grease wool, on which the duty is 11 cents a pound, shrinks in scouring over 55 per cent, the bulk of it shrinking much less than that. As a result, the duty on the first and second class wool imported into the United States, varies from 14 cents to 24 cents per scoured pound, and nearly all of it is used in the worsted branch of the industry.

Q. Is this sample of English wool unwashed or washed?—A. It is washed on the sheep's back.

Q. Is there any peculiarity about the tariff on these wools which bears unequally on these two classes?—A. Yes; there are two causes of inequality. First, there is the inequality resulting from the difference in shrinkage just explained. The other is found in the provision of Schedule K, paragraph 362, by which the duty is doubled on wool of class 1 if washed on the sheep's back, while wool of class 2, if so washed, is admitted at a single duty. If the Cape wool had been washed on the sheep's back, the duty would have been 22 cents a pound. The English wool has been so washed, but the duty is the same, 12 cents, as if it had not been washed.

Q. What reason is there for any such discrimination between the wools of the first class and of the second class?—A. There is no good reason for it. In the early days of the industry the long luster wools of the second class, washed on the sheep's back, were practically the only wools used for the manufacture of worsted, the bulk of them coming from Canada. Under the reciprocity treaty Canadian wools were admitted free of duty. When that treaty was terminated these wools of the second class, washed on the sheep's back, were admitted at the single duty in order that the worsted industry might not be deprived of raw material by a double duty. At the same time it was provided that wools of the first class, if washed on the sheep's back, should be subject to a double duty, at 22 cents a pound. This difference in the tariff on washed wools of the first and second classes is special privilege to the users of wools of the second class or it is discrimination against users of wool of the first class. In either case it is unjustifiable and should be abolished.

Q. Will you state how this inequality, which doubles the duty upon wools of the first class when they are washed, but leaves it undisturbed in the case of wools of the second class when they are washed, has operated as applied to the various departments of wool manufactures?—A. It has given the users of second-class wools access to foreign sources of raw material at a much lower rate of duty than is imposed on heavy shrinking wools of the first class. This difference is so great that users of the second-class wools are able to import their raw material at a rate of duty which is much less than that contemplated as protection to the woolgrowers by the Dingley Act. On the other hand, the duty on heavy shrinking wools of the first class is so high that would-be users of this kind of wool find it impossible to import any of it. The users of light shrinking wool are able to import their wool at a very low duty; the users of heavy shrinking wool are shut out of foreign sources of supply.

Q. Will you kindly tell me how much of this light shrinking washed wool of the second class, which you say is imported at the 12 cents a pound rate, was brought in, and who imports it, and for what purpose?—A. The imports last year of second-class wools amounted to 9,807,000 pounds. They are used by worsted mills for luster worsteds, braids, and similar goods.

Q. Will you state what the present condition of the woolen manufacturing industry is in the United States at present?—A. The worsted business is very prosperous and developing rapidly, while the carded woolen industry is very much depressed. This depression is due to two causes: First, the greater popularity of smooth, hard-faced finish for which worsteds are adapted; second, the fact that the carded woolen mills are excluded from access to the foreign wools adapted to their goods, while the worsted mills have a comparatively easy access to such sources of supply. These conditions have forced the carded woolen mills into idleness or to the use of wool substitutes and have stimulated the manufacture of inferior fabrics known as "cotton worsteds," made principally of cotton yarn with a small amount of worsted. These cotton worsteds are attractive to the eye before being worn, but they do not protect the body against cold and damp and make a generally unsatisfactory garment.

Q. What materials are open to the manufacturer of carded woolen cloth beside new wool?—A. There are noils and the wastes from the manufacture of wool, and the material commonly known as "shoddy," which is made by tearing into a loose, fluffy, fibrous mass suitable for reworking into cloth the tailors' clippings and the woolen rags that are collected around the country. The use of these materials is essential, because the supply of new wool is entirely inadequate to clothe the people. As careful an estimate as I have been able to make from the best statistics available shows that if all the wool grown in the world were converted into cloth, without the admixture of any other material, and distributed pro rata among the people who inhabit the globe outside the Tropics, where very little wool cloth is required, the annual per capita share would be 14 ounces of pure wool cloth. The production of wool in the United States, if divided among the people of the United States, would amount to practically the same quantity—14 ounces—of pure wool cloth for each person. This is little more than enough for a breechcloth. The ordinary light-weight cloth weighs about 14 ounces per yard, 55 inches wide. A suit of clothes requires 3½ yards. A man's share of the wool clip is, therefore, enough cloth to make a light-weight suit every three and one-half years.

Q. What effect on the clothing, bedding, and household furnishings of the people has this situation which you describe produced, and what would be its ultimate effect upon the woolgrowing industry?—A. It has deprived the people of an adequate supply of wool clothing, blankets, and other articles of wool. It has compelled the use of inferior substitutes for wool, which do not give the protection against dampness and changes in temperature that is afforded by wool. It has forced manufacturers to reduce the weight of all-wool cloths, so that these goods, although made of wool only, fail to give proper protection to the wearer. The prohibitory duties on wool wastes, noils, and similar materials restrict the mills to the comparatively limited domestic supply of these materials, so that the goods made of wool substitutes are much inferior to what they would be if a supply of the better grades of wool substitutes were made available by an equitable duty on these materials. The prohibitory duty on the heavy shrinking wools and on wool substitutes suited for the lower-priced goods and the low duties on the light shrinking wools suited for the higher-priced goods make it difficult to produce warm and durable wool garments at a low cost, and at the same time facilitate the production of the high-priced cloths. My judgment is that these conditions will ultimately bring the tariff on wool and wool goods into such popular disfavor as may result in the violent removal of all duties on wool and its substitutes, as was the case in 1894, and that, therefore, the ultimate effect of these conditions is likely to be very injurious to the domestic woolgrowing industry.

Q. You spoke of the manufacturers of carded woolens being driven to the use of certain waste and by-products; you mentioned particularly noils. Taking the sample of English wool which we have here, and which you say enters at 12 cents a pound washed, and pays a duty of only 15 cents on the contents of the scoured pound owing to its light shrinkage, I will ask you to trace that wool from the condition in which we have it here to the cloth or dress goods for which it is adapted, stating as you go along what waste arises in the various processes of manufacture.—A. The first process is scouring. The waste from scouring wool runs almost invariably to waste in the stream, so that it need not be taken into consideration. The next process is carding; the waste here is a very small percentage of the weight of the wool, and its value is low owing to the dirt and grease clinging to it. The next process is combing, which divides the wool into two parts, the long fiber called "tops" and the short fiber called "noils." The noils can not be used by the worsted mills and are, therefore, sold as a raw material for the carded woolen mills. The tops are converted into worsted, the process after combing being drawing; a comparatively small quantity of slubbing waste is produced in this process. The drawing process converts the tops into roving, and in the last operation of drawing a small quantity of roving waste is made. The roving is spun and twisted into yarn. During this process and in the subsequent operations of spooling, warping, and weaving a quantity of yarn waste is made. This is run through a garnett machine which converts it into a loose fibrous mass known as "garnetted waste."

Q. These wastes are, therefore, a sort of by-product in the manufacture of worsteds, and do not arise in the conversion of wool into woolen goods?—A. Wastes are made in the carded woolen manufacture, but they are of a different quality and character entirely.

Q. What becomes of these latter wastes?—A. They are used over again by the carded woolen manufacturers.

Q. Now, if I understand you, these wastes, noils, slubbing wastes, roving wastes, and garnetted wastes are sold by the worsted factories to the carded wool people?—A. Yes, sir.

Q. What are noils worth now a pound?—A. Prices vary widely with the quality and state of the market. They vary from 15 to 50 cents per pound, and some perhaps higher.

Q. What are these noils worth abroad?—A. I recently received a large number of samples of noils and worsted waste from Bradford, England. Following is a list of them, with prices, at Bradford.

*Memorandum of prices of foreign noils, waste, and shoddy.*

| | | d. | Cts. |
|---|---|---|---|
| 2540. | Crossbred 40s noils | 6½ | =12½ |
| 2541. | Crossbred 40s noils | 7 | =14 |
| 2537. | Crossbred 40s noils | 7½ | =15 |
| 2534. | Crossbred 44s noils | 8½ | =16½ |
| 2536. | Sliped New Zealand noils | 8½ | =17 |
| 2535. | Crossbred 46s noils | [a] 8¾ | =17½ |
| 2539. | 50s noils | 9¾ | =19½ |
| 2533. | Lister-combed English noils | 10 | =20 |
| 2532. | Lister-combed English noils | 10½ | =20½ |
| 26. | Australian crossbred 56/58s noils | 11½ | =23½ |
| 27. | Australian Botany noils | 15¾ | =31½ |
| 28. | Cape Holden's dry combed noils | 16½ | =33 |
| 25. | Australian 80s noils | 17½ | =35 |
| 3155. | Carded light waste | 11 | =22 |
| 2880. | Medium olive, medium shoddy | 7½ | =15 |
| 2990. | Wd. carb. light shoddy | 11 | =22 |
| 2785. | Wd. medium black shoddy | 11 | =22 |
| 2469. | Fine fancy comforters, shoddy | 8 | =16 |
| 2. | Dyed black-brown mungo | 4½ | = 8½ |
| 3. | Dyed green mungo | 4½ | = 8½ |
| 6. | Green cheviots, shoddy | 3½ | = 6½ |
| 4. | Dyed black-brown cheviots, shoddy | 3½ | = 6½ |
| 1. | Dyed green medium worsteds, shoddy | 4 | = 8 |
| 5. | Dyed light green medium worsteds, shoddy | 4½ | = 9 |
| 7. | White merino noils | 14½ | =29 |
| 8. | English blanket noils | 10 | =20 |
| 9. | English noils | 8½ | =16½ |
| 10. | English noils | 8 | =16 |
| 11. | English noils | 7½ | =15 |
| 12. | English Down noils | 10¾ | =21½ |
| 13. | Pulled white hosiery waste | 10½ | =21 |
| 14. | Colored hosiery waste | 11½ | =23 |
| 15. | Gray hosiery waste | 10½ | =20½ |
| 16. | Colored waste, carded | 6½ | =13 |
| 17. | White waste | 10½ | =20½ |
| 18. | Gray waste, carded | 7½ | =15 |
| 19. | White Botany waste | 17½ | =35 |
| 20. | Colored crossbred | 9½ | =19 |
| 21. | Colored Botany | 19½ | =39 |
| 22. | Carbonized black serge, pulled | 3½ | = 7 |
| 23. | Carbonized black worsted | 4½ | = 9 |
| 24. | New black worsted, carded | 5½ | =10½ |

NOTE.—The trade discount on noils, 7 to 12, inclusive, is 1¼ per cent, payment one month; also on tops, from 13 to 21, inclusive, terms net.

Q. Is the rate of duty, provided in the Senate bill of 20 cents per pound on noils, for practical purposes prohibitory?—A. It is. There may be a small quantity of very high-grade noils, suited for the production of special grades of goods, that can be and are imported, but the quantity is insignificant.

Q. The Bureau of Statistics indicates an importation of about 400,000 pounds, valued at 40 cents a pound. So that the manufacturers of carded woolens are left by this provision of law practically in the position of buying their materials of their competitors, who are already displacing their goods? The tops that you speak of, are they used also by the carded woolen manufacturers?—A. Not at all. They are a worsted product in process of manufacture.

Q. The Senate bill seems to classify this product and the product still more advanced toward the finished yarn, which you have referred to as "roving," with woolen cloth, which applies the cloth duty to

[a] Last week's prices, 1¼ per cent discount.

these intermediate materials. What is the reason for such a rate on tops and roving?—A. There is no good reason for such a rate, and the supposed beneficiaries do not attempt to defend it. They are ready to give it up. It is a glaring inconsistency. It is a prohibitory duty on the product of worsted-top mills, so that the term "supposed beneficiary" refers to any producer of tops for sale.

Q. You think, then, that this top duty will not be insisted upon by anybody?—A. I do not think anyone brought face to face with the facts would insist upon the Dingley duty on tops. It originated in 1889, I think. I find the first record of this present duty on tops in a tariff hearing on the textile schedules before the Senate Finance Committee of 1889.

Q. It will possibly be an advantage to these worsted mills, which are not in a position to manufacture their own tops, to have this duty reduced somewhat below the duties on yarn, will it not?—A. That would depend upon the extent of the reduction. A mountain-high tariff like the present one on tops can be cut considerably without changing its prohibitory character. It would certainly be reasonable to have a product that is less advanced than yarn bear a lower duty.

Q. I wish to talk with you a little about the framework of Schedule K, as it relates to the specific duties applicable to the weight of cloths and dress goods manufactured here. Have you ever studied the question of whether the multiples of 3 and 4 by which this compensatory duty on cloth as related to the duties on wools of the first class has been calculated for so many years?—A. Yes; I have.

Q. I would like to know what conclusions you have reached about that?—A. You will find my conclusions in this article, "How much wool to make a pound of cloth?" No tariff on wool goods should be based on a ratio between grease wool and finished cloth. As well might one attempt to fix a ratio between iron ore and watch springs. No wool manufacturer attempts to estimate the cost of his finished fabrics from the cost of the grease wool. Such a basis would result in gross errors and ultimate bankruptcy. In buying grease wool, the first considerations are the amount of scoured wool that the grease wool will yield, and the intrinsic worth of the scoured fiber. About twenty years ago I made an extensive test to determine the shrinkage in manufacturing all-wool cloth, and the result was that 1.54 pounds of scoured wool was required for 1 pound of cloth. The ratio between the grease wool and the finished cloth varies widely because of the difference in the shrinkage of wool in scouring. During the four years I was making the test referred to, I used many different lots of wool which varied widely in shrinkage. This variation of shrinkage is illustrated by 6 lots of grease wool, which in scouring shrunk 76, 69, 62, 47, 35, and 16 per cent, respectively. Calculating the ratio between these lots of grease wool and the finished cloth from the ratio of 1.54 between the scoured wool and the finished cloth, we find the following ratios between the grease wool and the finished cloth: 6⅔, 5, 4, 3, 2⅔, and 1¼. This shows plainly that no single ratio can be true of all kinds of wool.

Q. What do you say, then, of the scheme of fixing these compensatory duties as this bill does, on the ratio of 4 to 1, and in the lower grades of 3 to 1? How does that work out?—A. It causes great inequalities in the tariff especially because the ratios named are applied not only to goods made of all wool, but to goods made of mixtures of wool and other materials.

Q. What reason is there for compensating the manufacturer of cloth on account of the wool duty, when in point of fact little or no wool appears in the cloth which he makes?—A. There is, of course, no reason for compensating a manufacturer for duties paid on wool that is not used in the manufacture of the cloth. The 4 to 1 ratio between grease wool and cloth is correct only for all-wool cloth made of wool shrinking 60 to 65 per cent. As a matter of fact, no wool shrinking as much as that is imported into the United States. The specific duty of 11 or 12 cents a pound on grease wool, forces manufacturers to confine their purchases of foreign wool to the light-shrinking lots. Consequently, the Dingley and Payne bills compensate the manufacturer for wool duties which he has never paid. The defenders of the 4 to 1 ratio sometimes seek to justify it by referring to or paraphrasing Senator ALDRICH'S defense of it twelve years ago. Thus one of them recently said to me: "We need compensation at the rate of 4 to 1 because our foreign competitors use these heavy wools." The large amount of grease and dirt in the heavy-shrinking wools is no advantage to the foreign manufacturer. Wool cloth is made from the wool fiber, not from wool grease and dirt. There can be no justification for compensating for wool duties that have not been paid.

Q. I have no purpose to expose any branch of the woolen manufacturing business of this country to injurious foreign competition, nor any purpose to take away from the woolgrower a fairly advantageous protective tariff; but I have been wondering whether a more equitable basis for the assessment of compensatory duties can not be found, and the result of my reflections upon it has led me to prepare some amendments to the Senate bill running through the schedules of cloths and women's and children's goods, so far as they can be made applicable, by which it is proposed to preserve the ratio of 4 to 1 between grease wool and cloth, and 3 to 1 where that ratio appears, and make the compensatory duty applicable, not to the weight of the cloth, but to the weight of the wool contents of the cloth, which, I am informed, can be accurately determined by the analytical bureau connected with the appraiser's office. Have you ever reached a conclusion upon that subject?—A. I have, and was going to suggest that very thing to you; that it is easy to distinguish wool from vegetable materials, and that if that were done it would go far toward correcting the inequality resulting from the 4 and 3 to 1 ratios. It, however, would still leave the inequalities resulting from the wide difference in the shrinkage of wool in scouring and also from the different shrinkages in the conversion of the scoured wool into cloth. The shrinkage from the scoured wool to the finished cloth is by no means uniform, but varies somewhat on different fabrics.

Q. I have caused several calculations to be made of the effect of that change in the law. I find no case in which it appears to increase the existing rates of duty; but, on the other hand, it materially reduces the rates of duty, particularly upon the ordinary grades consumed by the masses of the people, both of woolen cloths and dress goods. It eliminates from the woolen schedule rates of duty which are apparently inordinately high, rising sometimes to 150 per cent, and brings all duties on manufactured woolens substantially below the present rates. What effect, in your judgment, would such slight reductions as I have indicated have upon the rates from the standpoint of adequate protection? In other words, what, in your judgment, should be the maximum rates provided for the finished products of Schedule K?—A. The extremely high rates on wool goods which you mention are due largely to the excess of the compensatory duty over the compensation actually required to cover the duty on the raw material consumed in the manufacture of the goods. Such excess is not needed to protect the manufacturer, and consequently the removal of that excess could not injure the manufacturer. The injury to him would result from a continuance of this excess due to protection concealed in the compensatory duties, as the high rates invite attack on the protective system. Limiting the compensatory duties to the wool contents of the cloth, as you propose, would reduce the excess, and therefore would be a step in the right direction. It would, however, still leave an excess of compensation due to the use of light shrinking wools of which less than 4 pounds is required for 1 pound of cloth, and to the use of wool substitutes, such as noils, waste, shoddy, and so forth. These wool substitutes can not be distinguished from new wool in the finished cloth, and consequently would be returned as part of the wool contents of the cloth, on which the 4 to 1 compensatory rate would apply. But your plan would reduce the excess of compensatory duties and could not increase it in any case, and for that reason should be adopted if a better and more thorough method is not adopted.

Q. Do you know how we purchase wools in London?—A. They are purchased at auctions held every three months.

Q. I have concluded that these difficulties, although they undoubtedly exist, are not insuperable, and the variations that would result from them are as nothing compared with the very great variation which exists now between a low duty at one end of the line and the prohibitory duty at the other. If we apply the specific rate to the wool contents of the cloth, it will reduce the duties where vegetable or other than wool fibers are mixed in it, will it not?—A. It will.

Q. It can not increase the duties, even if the entire contents of the cloth is some form of shoddy and waste, can it?—A. No, sir. The chemical test, which we are now discussing, will not affect mixtures of shoddy. It will report them as wool.

Q. But an article composed altogether of shoddy would under such circumstances bear the same rate of duty that it does now, a duty so high as to exclude such an article?—A. Yes.

Q. Coming now to blankets and flannels, it appears from our books that a small amount of blankets is imported, running from an average price of 28 cents to over a dollar a pound, and bearing rates of duty which run from 165 per cent down to 71 per cent for the highest priced. What is the reason for maintaining these extraordinary rates upon the cheaper varieties of blankets?—A. These rates are caused by the excess of the legal compensatory duty over the actual compensatory duty required, and, of course, there is no reason for framing a law which shall be deceptive in this way. The theoretically sound tariff law would be one in which the compensatory rate would be equal to the compensatory rate actually required. For that reason I should answer your question by saying that there is no sound reason why the excessively high rates should continue.

Q. What hardship could it work upon the domestic industry if this compensatory specific was applied only to the wool contents of these blankets?—A. I do not know of any.

Q. Paragraphs 376 and 377 are aplicable to the partly cotton fabrics, described as women's and children's dress goods. The first paragraph describes articles in which the warp consists entirely of vegetable materials. The filling may be either in whole or in part of wool. What excuse is there for applying the 4 to 1 compensatory duty on such goods?—A. There is none. The object of a compensatory duty is to compensate the manufacturer for the increase in the cost of raw material resulting from the duty on wool. To allow this 4 to 1 compensatory duty on the weight of cotton in the cloth is a self-evident absurdity. Its effect is to give the manufacturer a large amount of concealed protection which he does not need. Take, for example, a sample of cotton warp cashmere which I have analyzed. The total duty is equivalent to 108.3 per cent ad valorem, consisting under the law of a compensatory duty of 58.3 per cent and a protective duty of 50 per cent. The duty on the wool actually used in the goods amounts to only 36.7 per cent, so that the actual protection is increased from 50 per cent to 71.6 per cent.

Q. Do you regard that as an exorbitant duty upon a cloth composed so nearly of cotton?—A. If, as is generally conceded, the legal protective rate of 50 per cent affords sufficient protection, then all over that is unnecessary.

Q. The next section seems to differ from section 376 only in the fact that whereas in section 376 the cloth must be at least half cotton, in section 377 it may be any proportion of cotton desired. Is there any good reason for having two schedules applicable to goods thus substantially the same?—A. I do not know of any.

Q. You will notice at the end of both sections a proviso which carries the goods mentioned therein when they reach a rate of 4 ounces to the yard back into the schedule for woolens and worsteds. I would like to know if there is any reason for such an increase in the duty on the goods referred to?—A. No reason that I can see, other than that the framers of the law wanted to have 376 and 377 apply only to the very light goods, and all other classified as cloths.

Q. Is there any reason in the present state of the trade to suggest that these rates can not be reduced without injury to the business?—A. Nothing but good can result from the elimination of unnecessary protection from the tariff law. The excess carries with it a danger to true protection. Here, for example, is a cotton-warp cloth weighing more than 4 ounces per square yard. The tariff law provides for a protective rate at 50 per cent and a so-called "compensatory rate" of 73.7 per cent, making a total duty of 123.7 per cent. As a matter of fact, the manufacturer required only 19.9 per cent to compensate him for the duty on the raw wool. As a result the actual protection is 103.8 per cent, instead of the 50 per cent named in the bill. If, as is generally admitted, 50 per cent is ample for protection, the total duty can be reduced from 123.7 per cent to 69.9 per cent without depriving the manufacturer of the adequate protection of 50 per cent.

Q. Would it injure the manufacturer if he desired such an article transferred to the wool and worsted classification to find there that the usual specific compensatory duty had fallen to the basis of the wool contained in the goods?—A. It would not, provided the protective ad valorem rate was ample, and the general opinion is that 50 per cent is ample.

Q. I omitted, in asking you these questions, to inquire whether these yarns out of which finished cloth is made are ever adulterated with cotton or cheaper materials?—A. Worsteds are adulterated by mixing worsted yarn with yarn made of cotton and other inferior materials in the cloth. Carded woolen yarn may be adulterated by mixing wool with cotton and other inferior fibers in the yarn. The adulteration of worsted is illustrated by this sample of cotton worsted A 220, which consists chiefly of cotton yarn along with a small proportion of worsted yarn. The 4 to 1 compensatory rate applies, under the Dingley law, to both cotton and worsted. As a result, the total Dingley duty is equal to 127 per cent ad valorem, of which 77 per cent is the compensatory duty and 50 per cent the protective. As a matter of fact, the manufacturer needed but 6.8 per cent to compensate him for the duty

on the wool required for the small amount of worsted in the cloth. Thus the actual protective duty is 120.2 per cent instead of the nominal 50 per cent. Removing the concealed protection would reduce the total duty from 127 per cent to 56.8 per cent without touching the protection of 50 per cent under the law.

The adulteration of cloth, by mixing wool and other fibers in the raw stock, is illustrated by this cotton warp beaver E 382. The carded woolen yarn is made of a mixture of wool, raw cotton, and shoddy. The 4 to 1 compensatory rate is applied to all of these materials, and the total duty, 152.7 per cent, consists of a compensatory rate of 102.7 per cent and a protective rate of 50 per cent. Owing to the comparatively small amount of pure wool in the cloth, the compensatory duty actually required to cover the duty on the wool is only 23.6 per cent instead of 102.7 per cent. As a result the actual protection is 129.1 per cent instead of the nominal 50 per cent. If the unnecessary protection concealed by the 4 to 1 compensatory rate were removed, the total duty would drop from 152.7 per cent to 73.6 per cent.

Q. I have been studying whether the compensatory duty proposed in the Senate bill for yarns ought not to follow the same principle of being made applicable to the wool that is contained in them.—A. The same principle applies. It would be a step in the right direction.

Q. The Dingley rates you have named are a little high?—A. Yes; they are excessive, unnecessary, and a danger to true protection.

Q. I wish you would state a little more fully what is the state of business in the carded woolen industry throughout the country, so far as your information extends.—A. The industry is adapted for being economically carried on in small establishments, and does not require as much capital, either fixed or active, as is required in the worsted business. For that reason it is a more inviting field for small manufacturers of moderate means. It follows that the carded woolen industry is the natural antidote for the evils that result from the growth of large combinations in other branches of the industry.

Q. These woolen mills which you think have suffered under the Dingley schedules are scattered very widely throughout the country?—A. Fare more widely than the worsted mills, although there is considerable concentration of them in New England and around Philadelphia.

Q. What attitude do these carded woolen people take toward the proposition to continue the rates under the Dingley law?—A. Their attitude is that they do not want to rip things wide open by any radical upsetting of the protective system. They concede the right of the woolgrower to ample protection, as they claim it for themselves, but they ask that the duty on the raw material of wool manufacturing shall be made uniform for all branches of the business, their own as well as worsted spinning. I do not think they have expressed any opinion generally regarding the duty on goods. There have been individual cases where carded wool manufacturers have conceded that the excessively high rates on goods could be reduced without injury.

Q. What sort of man is Mr. Moir, who appeared before the House committee?—A. He is a very successful carded woolen manufacturer, who in 1882 started a five set mill in the manufacture of woolen goods at Marcellus, N. Y. He has developed the business until now he operates 20 sets, and is generally considered to be an exceptionally skillful manufacturer.

Q. Is there any reason why the worsted people should have a larger aggregate protection than the carded wool people; a combined duty higher in the aggregate than the carded woolen people?—A. I do not think so. The tariff law gives protection in the form of an ad valorem duty, so that it adjusts itself automatically to any increase in values resulting from increased cost of production.

Q. Is there any reason for our going back to the McKinley law which would not apply to going back to earlier years; that is to say, had any changes occurred in any branch of the woolen business between 1889 and 1890 which would make the latter year the more desirable basis than the previous one for the calculation of this wool duty?—A. I do not know of any. Business conditions were uniform during the period named.

Q. So that rates on which Senator Allison and Senator ALDRICH united in 1888 as being just and fair to all parties concerned, would be likely to be as applicable to our present conditions as the undisturbed rates of the McKinley Act?—A. I would put it this way: If their judgment was sound in 1888, the bill which they framed then would be equally well adapted for 1890.

But now, Mr. President, I desire to turn my attention, if the patience of the Senate is not exhausted, to the cotton schedule. I do that also with a great deal of timidity, because how can I know that the virtues of my former colleague will not be cast as a stumbling block in my path by the Senator from Rhode Island? I was so afraid of that that I made a little research into his biography, and with the view of finding out what the attitude of such a man toward the cotton schedule actually was, and in order to prevent anybody from putting me in an attitude of bringing discredit upon the memory of a great name, I intend to start out by reading what Senator Allison said on this floor of a cotton schedule very much less objectionable than this. It was on the 3d day of February, 1883, and he spoke these words, which are recorded in the RECORD of that date, on page 2030:

> Now I want to say one word in regard to the tariff commission report upon the cotton schedule. The truth is that the tariff commission did not examine this cotton matter at all; it may as well be said on the floor of the Senate; nor did they make this schedule that is called the "tariff commission report schedule." It was made by a cotton manufacturer from Boston with an expert appraiser in New York, and the tariff commission accepted it. When the knowledge of that fact came to me, I had no particular faith in the tariff commission report on this cotton schedule, and therefore I examined it as best I could for myself, hearing the witnesses reading the testimony, and hearing people who I supposed knew something about it, and in whom I had faith.

In order to save the Senator from Rhode Island from any fear that I am trampling on the memory of Senator Allison, I will confide to him the fact that I have taken the same course in respect to this cotton schedule. I will say also to the Senator that I think we ought to preserve intact, or with only a very insignificant amendment, the Dingley schedules on cotton goods, and if that puts a man outside of the Republican faith and fold, I shall have to accept the penalties.

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. I do.

Mr. ALDRICH. I understood the Senator the other day to say that he thought the House rates on hosiery should be maintained.

Mr. DOLLIVER. I did not say so. I asked the Senator from Rhode Island on what theory they had not been raised.

Mr. ALDRICH. Then I misunderstood the Senator.

Mr. DOLLIVER. But I will say that it has become quite a burden to me, receiving at my always hospitable door pilgrims returning from the Finance Committee room with the statement that the rates are not to be raised because I have objected to raising any rates. So people with good cases for an increased rate on some humble article of merchandise which they are making are turned away on the theory that no rates are to be raised. I take the position that if it can be shown——

Mr. ALDRICH. I would suggest to the Senator that he get some more authentic means of communication with the chairman of the committee.

Mr. DOLLIVER. Well, I do not suppose that it was the chairman of the committee; I think it was the colored brother at the door, probably, or possibly some of the experts who have surrounded the Senator from Rhode Island in the midst of his labors. [Laughter.] I stated my position with a reasonable measure of accuracy. I am an old-fashioned Republican, as I supposed the Senator from Rhode Island was. So, when a man like my friend from California [Mr. FLINT] has come to me and said that it was absolutely necessary for the prosperity of California to increase the rate on lemons I have not been disposed to dispute that it ought to be done.

Mr. FLINT. I should like to ask the Senator from Iowa whether he did not say to the people of southern California that he was in favor of that?

Mr. DOLLIVER. I told them that we had put the pound rate of 1 cent on lemons. I was then and am now in favor of keeping the rate high enough to adequately protect every man in California who is engaged in that business and every man in Florida who is engaged in it.

Mr. FLINT. And the Senator was enthusiastically received when he made that statement.

Mr. DOLLIVER. That was owing to the favorable introduction I had by the Senator who has just taken his seat. [Laughter.] So, if somebody would come to me, if my honored friend from Rhode Island would come to me, and say, "I have been up all night on this schedule; I think this industry of cheap hosiery is about to be destroyed by German competition," and that a given rate was necessary to preserve it, I would not ask another question; but if he sent a Treasury expert to me I would have to sit up all night on the subject myself. [Laughter.] I have said that I would like to see the Dingley rates preserved, and I say that because the cotton manufacturers of the United States have no better friend than I am. I have been in practically every cotton mill in America. I never go to a community which has a great and thriving industry without spending much of my time in investigating it, inquiring into its history, its progress, and its prospects. I am no agitator seeking to disturb any man's labor or any man's investment. I am for the Dingley cotton schedules because there is not a line of evidence before Congress that there is any necessity to change any one of them.

I will ask the Senator from Rhode Island to say whether, when the cotton manufacturers were notified to come before the House committee on a given day, they did not appear there and say that they were satisfied with the cotton rates and that there were no changes needed excepting in very minor matters that could be attended to in detail, but asked the committee to retain the rates, stating distinctly that they did not desire to have them advanced? Do I not speak the truth?

Mr. ALDRICH. Mr. President, I have no knowledge whatever of anything that transpired before the Committee on Ways and Means. I have never read the hearings before that body. I have no knowledge or idea about any statement that was made before that committee.

Mr. DOLLIVER. I will say that, if the Senator from Rhode Island has not read the hearings——

Mr. ALDRICH. I have not.

Mr. DOLLIVER (continuing). He is not in a position to belittle the honest efforts that I have made to get at the truth of these matters, for I have thought it my duty to read those hearings. Mr. H. F. Lippitt, of Providence, R. I., a member of the Arkwright Club, of Boston, representing a large number of cot-

ton spinners of New England, came before the committee on the 1st of December and stated as follows—this is from page 4528 of the hearings:

We ask that the present cotton-cloth schedule shall not be reduced, because when it was enacted it was the result of a careful inquiry into the conditions of the cotton-manufacturing industry. We ask, therefore, that the present schedule shall not be materially changed. (P. 4532.)

I am not here to ask for an increase in the duties on the cloth clauses of the cotton schedule. I think that while there are importations going on under them it is reasonably regulative of the cotton trade. The importations are not so large that we feel justified in asking that the duties be increased. (P. 4538.)

Now, notwithstanding that statement, Mr. Lippitt and James R. MacColl, for the Arkwright Club, on January 15, 1909, addressed a letter to the Committee on Ways and Means asking for provisions substantially identical with those that appeared in paragraphs 318 and 321 of this bill as originally reported from the House Ways and Means Committee. Upon discovering to what extent they had been misled by following these suggestions, Mr. PAYNE, one of the wisest practical students in the United States on the cotton business or any other business of our people, and a man who, in my judgment, knew more about it in 1890 than William McKinley did, and more definitely about it in 1897 than even Governor Dingley himself—when Mr. PAYNE found what had been put into the bill by adopting the suggestions made in writing by James R. MacColl and Mr. Lippitt, he said to them in plain language, somewhat exaggerated by impiety, that he would have nothing to do with it. In other words, he and his associates on the committee felt that these two amiable gentlemen, who came there stating that they desired no increase to be made in the cotton schedule, had perpetrated an act of bad faith in inducing them to report an amendment which, in the judgment of the committee, could not be defended in the Congress of the United States.

I will say another thing. These very amendments, with the omission of one or two, which were cast out in wrath by the House committee, come back with great rejoicing in the report of the Senate committee on the cotton schedule.

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. When this statement was made on a similar occasion by the Senator from Iowa the other day, I entered a denial as flat and as emphatic as was possible of the accuracy of the statement. The facts are these: The House bill provided that in counting the threads every filament—that is, a double thread or a treble thread or a quadruple thread—should be counted. That was the subject of the criticism of the Members of the House, and that was the reason why the chairman of the Committee on Ways and Means objected to the provision of that particular paragraph. That provision does not appear in the Senate bill in any form.

Mr. DOLLIVER. Mr. President, in order to avoid controversy—and I am at a great disadvantage in a personal collision with so distinguished a statesman and so good a friend as the Senator from Rhode Island—I intend to print in the CONGRESSIONAL RECORD in parallel columns the Lippitt and MacColl provisions, the House report provisions, the House bill provisions, and the provisions in the Senate bill.

Mr. ALDRICH. Will the Senator let me look at the statement he has?

Mr. DOLLIVER. Just as soon as I gaze for a moment at it myself. [Laughter.]

The Senator from Rhode Island told the Senate the other day that this bill represented the expert knowledge of the people in the custom-house.

Mr. ALDRICH. I did not use the term "custom-house," but the Senator can use it if he wants to.

Mr. DOLLIVER. He left the impression upon me that we have people in our custom-house in New York that know better how to write tariff bills than even our honored friend from Rhode Island. [Laughter.]

Mr. ALDRICH. I admit that.

Mr. DOLLIVER. I thought so, too, until I traced the very language of this bill past the custom-house to the two honorable gentlemen who wrote to Mr. PAYNE a letter, which does not appear in the cotton hearings in the House of Representatives, although it has an obscure resting place in the appendix of that interesting series of volumes.

I find that the language which they prepared for Mr. PAYNE was handed in to the custom-house by Mr. Lippitt and Mr. MacColl, and was approved by the experts who, we have supposed, were engaged out of the abundance of their wisdom and knowledge in writing the whole thing up by themselves. I confess it leaves a very ugly impression upon my mind.

What did those people impose upon the custom-house experts and upon the House committee? They stood before the committee saying that they wanted no increase, but they made a new definition of cotton cloth in which the filaments of cotton were to be counted; the threads were to be taken apart, which would have so raised the count of threads throughout the cotton schedule as to multiply all these rates in a measure that no human mind could anticipate.

When Mr. PAYNE found that he had been swindled, he dropped the enterprise, and with it practically all the other suggestions of these amiable gentlemen. I want to say now that they perpetrated even a greater swindle upon the Senator from Rhode Island.

Mr. ALDRICH. I shall be glad to learn of it.

Mr. DOLLIVER. They induced the Senator from Rhode Island to include in the paragraph that relates to curtains, upholsteries, hangings, and coverings all Jacquard woven goods suitable for such purposes, did they not?

Mr. ALDRICH. No; they did not.

Mr. DOLLIVER. In the advance edition of the Senate bill, sent out to friends and newspapers on the 10th day of April, the Senate committee had deliberately struck out from the curtain clause in Governor Dingley's bill the phrase "dyed in the yarn." What was the effect of striking that out? Practically to transfer to that clause the whole range of ordinary women's dress goods upon which threads woven by a Jacquard attachment to a loom appear. When the Senator's attention was called to that, on the 12th day of April, the expression "dyed in the yarn" was restored.

Mr. ALDRICH. That is right.

Mr. DOLLIVER. Who struck those words out?

Mr. ALDRICH. The committee.

Mr. DOLLIVER. And who put them back?

Mr. ALDRICH. The committee.

Mr. DOLLIVER. Upon whose counsel did the committee strike them out?

Mr. ALDRICH. The counsel of the customs experts. Upon the discovery that they were wrong, we put them back again.

Mr. DOLLIVER. Well, that destroys my faith in both the Senator's committee and in the customs experts.

Mr. ALDRICH. Those are the facts, however.

Mr. DOLLIVER. Now, as I said, I intend to put into the RECORD these statements in paralliel columns, to show that what we have here we do not owe to the genius of the Senator from Rhode Island.

Mr. ALDRICH. I have made no claims about it.

Mr. DOLLIVER. We do not owe it even to the genius that is sheltered in the new custom-house at New York. We owe it to the two amiable gentlemen who, in a public hearing before the committee, stated that they desired the rates of the Dingley law maintained and no changes made.

Now, if the Senate will pardon me for a moment, I intend to show just exactly what this committee has done.

Mr. ALDRICH. Mr. President, to go back to the other point which was raised the other day, and again to-day, I will state that in the House bill as originally reported there appeared this language:

The term "thread" or "threads" as used in the paragraphs of this schedule with reference to cotton cloth shall be held to include all filaments of cotton, whether known as "threads" or "yarns" or by any other name.

That paragraph was in the House bill; it was taken out of the House bill, and is not now and never has been in the Senate bill, as stated by the Senator from Iowa.

Mr. DOLLIVER. Mr. President, if my friend will permit me, I want to show to the Senate how smooth these transactions are when they are not under the eye of a man like my friend from Rhode Island, who understands them, when you turn matters like this over to custom-house officers, who have already in advance certified bills prepared in the counting-houses of these great corporations. Here we have a proposition in the Senate bill that—

In determining the count of threads to the square inch in cotton cloth, all the warp and filling threads, whether ordinary or other than ordinary, and whether clipped or unclipped, shall be counted.

Mr. ALDRICH. That is right. Does the Senator object to that?

Mr. DOLLIVER. I object to it when it is used for the purpose of increasing the rates.

Mr. ALDRICH. It does not increase them.

Mr. DOLLIVER. The Dingley law provides that finished goods that have clipped or unclipped threads in them shall pay 2 cents a yard more than the ad valorem that would be fixed by the density of the cloth upon which these spots appear. The Senator from Rhode Island, I am afraid, even without

perceiving it, has given to those dots and spots upon a piece of cloth the right to raise the density of the cloth to a higher classification.

Mr. NELSON. Will the Senator from Iowa yield to me for a moment?

Mr. DOLLIVER. Certainly.

Mr. NELSON. I want to call his attention to the fact that from paragraphs 313 to 318—the words in italics—the bill provides a set of cumulative duties.

Mr. DOLLIVER. I will come to that in a moment.

Mr. NELSON. To make it clear that it means that, I wish to call his attention——

Mr. DOLLIVER. I will say to my honored friend the Senator from Minnesota that I am about to discuss that.

Mr. NELSON. Very well; then I will not say anything.

I wish to say simply that a system of cumulative duties is provided. In the original bill it is based upon threads and weight, and a cumulative duty based upon value is added to it, which practically more than duplicates the rate.

Mr. ALDRICH. I will answer both Senators.

Mr. DOLLIVER. I am inclined to object. It is nearly dark, and I desire to finish what I have to say.

Mr. ALDRICH. I call attention to the fact that the provisions in regard to cumulative duties have not been changed by the crossing of a "t" or the dotting of an "i" as they came from the House of Representatives.

Mr. DOLLIVER. The other day when I raised suggestions of this sort I was met by a statement that the matter would be fully discussed and defended when the schedules were reached.

Mr. ALDRICH. That is what I intend to do; and I will not interrupt the Senator further.

Mr. DOLLIVER. And so I do not desire this discussion, which would only disfigure remarks that are already bad enough.

Mr. ALDRICH. I beg the Senator's pardon; and I will not interrupt him any further.

Mr. DOLLIVER. I have here a piece of cotton goods counting 100 to 150 threads to the inch, 27 inches wide, cost 8¼ pence; value per square yard, 22½ cents. It has 35 per cent under the Dingley law at this time, on account of its value and on account of its density, and it has 2 cents per square yard because it contains clipped threads, in addition to the warp and woof of the goods.

Now, what has the Senator from Rhode Island done to that little piece of goods? He has a new duty to start with in paragraph 314 of 10 cents per square yard for cloth of this kind. He has in addition provided, under paragraph 321, a "cumulative" duty of 2 cents per yard on account of these figures, of superimposed threads, and has in addition to that, under the same paragraph 321, 1 cent per yard if mercerized.

In addition to all that, if that piece of goods should be held by the experts at the custom-house to be suitable for covers or upholsteries or draperies under paragraph 324, the duty would be still further increased to 50 per cent.

So that the present duty per running yard is 7.36 cents, the new duty 9.75 cents, the increase 2.39 cents, or 32½ per cent; and if paragraph 324 should apply, as a Jacquard piece of cloth dyed in the yarn, suitable for covering or upholstery or drapery, we would have the singular experience of the rate on that goods increased 3.26 cents, or altogether 43 per cent.

Mr. ALDRICH. I am tempted to ask the Senator if he does not know, from having read the paragraphs, that the last paragraph he mentioned could not possibly apply to these goods?

Mr. DOLLIVER. I do not know. If it had said "curtains"——

Mr. ALDRICH. I will demonstrate that to the satisfaction of the Senate before we get through.

Mr. DOLLIVER. If the paragraph had said curtains or table covers, as Governor Dingley had it, I would say the Senator was correct, but I notice that it now does not say curtains, but suitable for draperies, suitable for covers, or for upholstery; and I can produce a line of goods that are suitable for draperies, because they are now hanging in my own house as curtains, although they might just as well be used for dresses to clothe my children.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. SMOOT. I was about to call the attention of the Senator to a piece of cloth——

Mr. DOLLIVER. I am sorry to say I can not yield. I desire to proceed with as little rambling on the highway as possible.

Mr. SMOOT. Just let me ask one question. Is that a piece of white cloth or colored cloth? [Exhibiting cloth.]

Mr. DOLLIVER. I think, under the recent decision of the court, it is decided to be governed by the color of the warp and woof.

Mr. ALDRICH. It has been decided to be white cloth.

Mr. DOLLIVER. If it is bleached, it is white cloth.

Mr. SMOOT. It is a piece of white cloth. We will tell you what the bill provides for just that article.

Mr. DOLLIVER. If the Senator from Utah will pardon me, there will come a time when it will be regarded as interesting and appropriate for him to tell us what he thinks about this, but I have incautiously taken the floor this afternoon to tell what I think about it myself.

Mr. SMOOT. I wanted the Senator to see what it was.

Mr. DOLLIVER. Now, I want to state what the committee have done. They have retained the present Dingley rates upon cotton yarns and threads in 45 classifications; they have raised them in 31 cases and lowered them in 20. Am I not correct about that?

Mr. ALDRICH. I think you are.

Mr. DOLLIVER. In the paragraph covering cotton cloths counting less than 50 threads per inch the present Dingley rates have been increased in some instances over four times. Am I correct about that?

Mr. ALDRICH. You are not.

Mr. DOLLIVER. Then the book of estimates of the Finance Committee is not correct; and if the book of estimates of the Finance Committee is not correct, what becomes of the statement, heralded all over the world, with nothing on earth behind it except these estimates, by which the Senator from Rhode Island undertook to predict the revenues of the United States during the next two or three years?

Mr. ALDRICH. That had nothing to do with rates.

Mr. DOLLIVER. I know it had nothing to do with rates; but what confidence can a man from the rural districts have in an estimate of revenues that is based upon calculations which when attention is called to them the Senator from Rhode Island rises and says "It was made by others and is not correct?"

Mr. ALDRICH. I will explain that fully when I have an opportunity.

Mr. DOLLIVER. This has been accomplished by striking out the present provision for cloths counting under 50 threads per square inch, which lifts them into the next higher classification along with cloths counting as high as 100 threads, and by the adoption of a new scheme of increased rates based on dividing lines of value. This scheme to conceal advances of duty has been applied throughout the succeeding classifications of cotton cloth, with the result that the duties on the majority of the goods have been raised above the present law. For example, in each of these classifications certain items will carry a duty equal to 49 per cent ad valorem under the proposed scheme instead of the present ad valorem rates of 25 per cent, 30 per cent, 35 per cent, and 40 per cent.

Notwithstanding the increased rates thus provided for under this proposed scheme new definitions and classifications have been adopted for counting threads "other than ordinary threads," "clipped or unclipped threads," and applying extra duties for such cloths as may be "subjected to mercerization or other similar process" or which are "suitable for upholstery, draperies, and covers," through the interpretation or misinterpretation of which provisions the duties will be further increased, to what extent no man can say.

It is also proposed to increase the duty on bandings, beltings, bindings, cords, ribbons, tapes, webs, or webbings from 45 per cent, the Dingley rate, to 60 per cent. The McKinley tariff of 1890 placed them at 40 per cent.

Mr. ALDRICH. Is that done by the Senate amendments or the House provisions?

Mr. DOLLIVER. It is certainly approved by the Senate committee or it would have been amended when the bill was reported to the Senate.

Mr. ALDRICH. I think the Senator, in fairness, ought to state that all the changes of which he is now speaking were made by the House of Representatives.

Mr. DOLLIVER. I do not care now particularly who made them. What I care about is that they are in the bill, for which we are asked to vote in this revision of the tariff.

There are some very funny things about it. There are some articles in that paragraph about embroidery which possibly ought to have a higher rate. I show the Senator an article of cotton embroidery that ought to have more than 60 per cent.

Mr. ALDRICH. I think likely.

Mr. DOLLIVER. And I will be glad to join with the Senator in giving it any rate necessary to establish that industry

in the United States, but what I want to know is, why that plain cotton tape, this blue tape, now dutiable, I think, at 45 per cent, was bodily taken out of the paragraph where the Dingley Act put it at 45 per cent, and transferred to the other paragraph at 60 per cent?

Mr. ALDRICH. I imagine that the Senator's friend, Mr. PAYNE, whom he has extolled so highly, can probably tell him why he did it, if he would ask him.

Mr. DOLLIVER. I have no doubt he did it on the same request of the custom-house officials in New York, who have been duly advised in the premises by somebody else—the exact people who surrounded the Finance Committee of the Senate.

So here we have webbing, out of which a man's suspenders are made, transferred bodily——

Mr. ALDRICH. You had better ask Mr. PAYNE about it.

Mr. DOLLIVER. But my honored friend ought to see that it was his business not only to provide amendments of his own, but to correct the errors that came in the bill from the House.

Mr. ALDRICH. I shall be able, I think, to show even the Senator from Iowa why it was done, and I have no doubt he will approve of it.

Mr. DOLLIVER. I will be greatly obliged to the Senator——

Mr. ALDRICH. I expect to do it.

Mr. DOLLIVER. If he will show why a common web, such as suspenders and ladies' garters are made out of, should be transferred to the list of embroideries, while the garter itself and the suspender itself are left dutiable at a lower rate, I will be very much obliged to my honored friend if he will do that.

Mr. ALDRICH. I expect before we are through with the consideration of this schedule to satisfy the Senator from Iowa himself that these changes were all made in the interest of the American producer, and that there is no increase in the rates upon cotton cloths.

Mr. DOLLIVER. In each of the succeeding paragraphs, 313 to 317, straight ad valorem rates of the present law applied to the medium-priced goods have been struck out and a scheme of progressive increased rates, based upon values, has been substituted therefor. While the seemingly plausible excuse for these changes will probably be that this scheme has been adopted of substituting specific rates about equal to the present ad valorem rates, for the purpose of preventing or minimizing undervaluation, there is no man familiar with our tariff system who does not know there is more danger of undervaluation in these dividing lines based upon values than there is upon straight ad valorems themselves. I shall insert in my remarks the statement of Col. George C. Tichenor that infinitely worse than a straight ad valorem is a specific based upon a given value, because the temptation to put the goods below the level of a given value is so much greater, as it nets a man four or five times as much as he could make by any ordinary undervaluation under a straight ad valorem.

I used to think I knew something about the general theory upon which a tariff ought to be adopted. I studied under good masters. They told me that when a variety of the same merchandise was about equal in value, as, for example, bushels of wheat, the specific rate was just the thing. They told me when articles differed widely in value an ad valorem rate was unavoidable; and they told me that when articles differed widely in value a specific duty assessed upon successive dividing lines of value was worse from the standpoint of undervaluation than straight ad valorems themselves. That was the way I was taught.

But here we have in this schedule pretended efforts to make specific statements of ad valorem duties, and if you study the schedules of cutlery you will find that the application of specific rates without regard to values has produced rates which approach 1,000 per cent.

If you will turn to the little schedule of lead pencils you will find that a group of lead pencil manufacturers, annoyed by some young German boys who are trying to make lead pencils by importing the pencil leads from foreign countries under the present rate of duty, have had their present ad valorem converted into a specific which when stated in plain terms amounts to an increase of 700 per cent or more on the merchandise and totally wipes out of existence independent manufacturers of cheap lead pencils who are selling them to school children of the United States for a cent apiece in our market place.

So my theory is that if you desire to avoid undervaluations, keep clear of many lines of value accompanied by a specific rate, because you have to find the value applicable to every line just as thoroughly in that case as you have to find it when you undertake to apply an ordinary ad valorem.

Mr. President, to illustrate the effect of these dividing lines, based upon value, on the probable undervaluation of these goods, let me call your attention to the case of a bleached-cotton cloth, 100 to 150 threads to the square inch.

Under the proposed scheme, in some instances, an undervaluation of 25 cents on a piece of 100 yards would save the importer $1.25, while the same undervaluation, with the present ad valorem duty of 35 per cent, would save the importer only 8¾ cents.

This refers to paragraph 314, a bleached-cotton cloth, 100 to 150 threads per square inch, on which the proposed duty is as follows: If valued at 15¼ cents per square yard, 6½ cents per square yard; if valued at 15 cents per square yard, 5¼ cents per square yard. For 100 yards, this works out as follows:

| | | | |
|---|---|---|---|
| Value per 100 yards | $15.25 | Duty per 100 yards | $6.50 |
| Value per 100 yards | 15.00 | Duty per 100 yards | 5.25 |
| Difference in value | .25 | Saving in duty | 1.25 |

Under the present ad valorem rates the following is the result:

| | | | |
|---|---|---|---|
| Value per 100 yards | $15.25 | Duty per 100 yards | $5.33¾ |
| Value per 100 yards | 15.00 | Duty per 100 yards | 5.25 |
| Difference in value | .25 | Saving in duty | .08¾ |

Similar results would occur by reason of slight undervaluations under all of the proposed progressive rates which have been attached to all of these cotton cloth paragraphs, and much more accurate appraisement would be necessary than under the present system of straight ad valorem rates.

Why are these dividing lines placed just where they are? In one instance it has been deemed necessary to provide a separate duty for cloths valued over 12 and not over 12½ cents per square yard (p. 99, lines 22, 23, par. 313). This is the only instance where less than a difference of 1 cent in value has been allowed to one rate of duty.

The effect of these hybrid rates of duty is to leave certain cloths—if valued with exactness, and if the value happens to coincide with the dividing lines—at the present rates and to advance all that fall between the dividing lines of value in an unequal and irregular manner by leaps and bounds. In each of these paragraphs there are items which it is proposed to assess at 49 per cent, some of which are dutiable under the Dingley law at 25 per cent; others at 30 per cent, 35 per cent, and 40 per cent. Let me illustrate:

Paragraph 313, unbleached cloths "valued at over 14 cents per square yard, 7 cents per square yard." This shows on its face that it imposes a duty of 7 cents on a value of 14¼ cents, which is 49 per cent. The Dingley rate on the same cloth is 25 per cent ad valorem (p. 98, line 1).

Paragraph 314 in the same way provides for cloth valued at over 16 cents, 8 cents (p. 100, line 24). Dingley rate, 30 per cent.

Paragraph 315, valued over 20 cents, 10 cents (p. 103, line 10). Dingley rate, 35 per cent.

Paragraph 316, valued over 20 cents, 10 cents (p. 105, line 18). Dingley rate, 40 per cent.

Paragraph 317, valued over 25 cents, 12½ cents (p. 107, line 15). Dingley rate, 40 per cent.

If the Senate deliberately decides to increase the duties on cotton cloth, let us not cover the increases in a flood of intricate and misleading language. The cotton schedule in the Dingley law is certainly sufficiently complex and obscure.

In paragraph 318 the Senate committee has proposed a provision, which, after careful investigation, I believe to be unworkable. I refer to the following language:

> In determining the count of threads to the square inch in cotton cloth all the warp and filling threads, whether ordinary or other than ordinary, and whether clipped or unclipped, shall be counted.

These "clipped" threads appear in the cloth in short and long pieces, forming flowers, leaves, geometric figures, and all sorts of designs of great irregularity. In many of these it is impossible to count the "threads per square inch." It is for this reason that only the plain part of the fabric is counted under the present law.

I have here a specimen of clipped threads; and it is interesting to know not only the present status of that piece of cloth, but the change that has been adroitly effected in this bill. That piece of cloth counts under the present law 100 to 150 threads, and it pays 2 cents per square yard in addition to the ad valorem rate because of the existence of those threads.

Mr. ALDRICH. Does the Senator call that a piece of cotton cloth?

Mr. DOLLIVER. Yes.

Mr. ALDRICH. I am glad he is showing it to the Senate as a piece of cotton cloth.

Mr. DOLLIVER. I think I am not mistaken about it.

Mr. ALDRICH. I am glad to know the Senator thinks it is a piece of cotton cloth.

Mr. SMOOT. Will the Senator give me a sample of it?

Mr. DOLLIVER. I would not like to do that after you have passed such a severe judgment upon it.

Now, how can the clipped threads be counted under paragraph 218? What will the count be to the square inch? This cloth has 2 cents a yard of duty in addition to a high ad valorem because of the existence of those threads. Why should they be counted in determining the density of that cloth?

I will tell you. If counted, the threads in this cloth rise into a higher density and receive a higher duty than they receive now. And what I complain about in connection with that scheme is that these threads, now requiring an assessment of 2 cents a yard more on that cloth because of their existence than would be required if they were not there, ought to be estimated for the purpose of increasing the count of threads which determine the density of all cloths and their proper place in the tariff schedules.

Mr. TILLMAN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. DOLLIVER. Certainly.

Mr. TILLMAN. I and, I suppose, other Senators are deeply interested in this exposition of the intricacies of tariff reform and revision. We have been in session now about six hours and the Senator has been speaking for three. I want to ask whether the Senator feels that he can complete his speech to-night, or would he not rather wait until to-morrow. I would myself rather that he would wait until to-morrow; not that I am at all fatigued or tired of the Senator's talk; I have never enjoyed anything more in my life; but I feel that we ought to have some consideration for him, and other Senators ought to have consideration, too.

Mr. DOLLIVER. If it is the desire and convenience of the Senate, it would not disturb me to quit until to-morrow.

Mr. ALDRICH. I shall be very glad if the Senator would prefer to go on to-morrow morning; but I feel bound to ask the Senate to stay here and go on with the bill, if the Senator does not desire to speak further to-day. The country is waiting very anxiously for the action of the Senate; and unless the Senate sees fit to decide to prolong this discussion indefinitely, then I think we ought to pass to a vote.

Mr. BAILEY. I think we ought at least to take time to thrash out the differences between the Rhode Island and the Iowa idea on this tariff.

Mr. ALDRICH. Undoubtedly; but it is not necessary that the consideration of the bill should be suspended in the meantime.

Mr. TILLMAN. The Senator from Rhode Island must recognize, however, that it is very hard to untangle these threads unless it is done at the expense of time. There have been so many clashes between the Senator from Rhode Island and the Senator from Iowa and the Senator from Utah that we have not been allowed to get at the actual status, and I hope we will be permitted to adjourn.

Mr. ALDRICH. When the statement of the Senator from Iowa is revised and appears——

Mr. TILLMAN. The Senator, as I understand him, does not expect to revise anything out of his speech he has said. I have known that Senator for a great number of years, and I never caught him at that kind of trick.

Mr. ALDRICH. No; I do not intend to revise anything.

Mr. TILLMAN. I said the Senator from Iowa. The Senator from Iowa is incapable of anything of that kind.

Mr. ALDRICH. I did not say that the Senator from Iowa was. He himself said he was going to look over his remarks.

Mr. DOLLIVER. I missed one figure, and said if I found such an error in my remarks, I would be happy to correct it.

Mr. TILLMAN. At all events, I appeal to the Senator from Rhode Island to let us adjourn.

Mr. ALDRICH. I feel bound myself to press the consideration of the bill to the greatest extent I can. So far, certainly, there has been no disposition on my part to ask the Senate to stay here unusual hours or to do anything except to let Senators consult their own comfort and convenience, but the Senator from South Carolina knows as well as I do that all through the country there is a strong desire to have the bill disposed of.

Mr. TILLMAN. But if there are things concealed in this bill, such as we have been learning about this afternoon for the first time, I leave it to the Senator from Rhode Island to decide whether or not it is worth his while and everybody's else while to try to get around the subject and not let us get at the actual status.

Mr. ALDRICH. My disposition is not to prevent any discussion by the Senator from South Carolina or anybody else.

Mr. DOLLIVER. If it is not disagreeable to the Senator, I will state that, owing to a little fatigue, I desire to quit the floor for the present and resume to-morrow morning.

Mr. ALDRICH. I have no objection to that at all. I was not making any suggestion of that kind.

Mr. TILLMAN. Then, what are the rest of us going to do? Are we going to have our minds distracted by having somebody come in here and, it may be, tear another schedule to pieces?

If it were not out of all rule or regulation for one on this side to make the motion, I myself would move an adjournment. I appeal to the Senator from Rhode Island to do it.

Mr. ALDRICH. I will relieve the Senator's apprehension by putting into the RECORD a statement made by the late Senator from Arkansas, Mr. Jones, upon the woolen schedule, in which——

Mr. TILLMAN. The Senator from Arkansas labored under the disability at that time of being in the minority and not worth noticing; but when it comes from the Sanhedrin of the Republican party that we are having schedules either manufactured by experts or those who are not experts, who are interested, and that we have a time-honored rule of inheriting schedules and transmitting them like the laws of the Medes and the Persians, without change, I submit it is time for us to get some light from some source.

I know the people of the country, in the South as well, I think, as in the West and the North, will thank the Senator from Iowa for having given us some insight into this scheme of tariff revision.

Mr. ALDRICH. Mr. President, I simply want to put into the RECORD the statement of two Senators, made in 1897, as to the character of the woolen schedule in the act of 1897. I want to do it for the purpose of showing not anything that is disagreeable either to the memory of the Senator from Arkansas or the memory of the Senator from Missouri, or to the Senator from Iowa; but I know so well that Senators are liable to be misled in matters of this kind, to make exaggerated statements, and to misrepresent the facts. They are liable to be misled by the importers of these articles into this country—the men whose interest it is to break down this and every other schedule in the bill.

I expect to show, when I take the floor, that there are no increases in the cotton schedule of the bill at all. It is merely a substitution of rates which are absolutely equivalent—the specific rates for the ad valorems of the existing law. The ad valorems of the existing law are upon the average 38 per cent. In the bill they are not increased at all, and I will prove that to the satisfaction of the Senate. I will show that the articles which have been produced here are furnished by importers who have destroyed the cotton schedules through decisions in the past—decisions of the Board of Appraisers and of the courts—by which they have reduced the duties upon certain articles imposed by the Dingley Act at 60 per cent until they are 4, 5, and 6 per cent. Those are the men who have produced these samples.

Mr. DOLLIVER. Mr. President, I do not intend to conceal from the Senate those who have been kind enough to help me in my investigations.

Mr. ALDRICH. I did not suppose the Senator would.

Mr. DOLLIVER. I have consulted with great merchants East and West. I have consulted with cotton manufacturers and with men engaged both in the foreign and in the domestic trade in cotton. The sample which I showed a moment ago was given to me by as bright a merchant as there is in America, who is none the less entitled to my respect because he marched at the head of a column 19,000 strong through the streets of New York the day before the election in support of the candidacy of President Taft in that great campaign.

Mr. ALDRICH. I have no doubt that he is most respectable. But the point I was making is that these good men, these respectable men, have interests in this matter which are entirely antagonistic to the great interests of the people of this country. I do not blame them for appearing here or anywhere else in defense of their interests and in securing for themselves any support which they can get.

Mr. TILLMAN. Does the Senator move an adjournment?

Mr. ALDRICH. I want to ask that this statement of the late Senator from Arkansas, Mr. Jones, and others be printed in the RECORD.

The PRESIDENT pro tempore. The Senator from Rhode Island asks that the statement of the late Senator from Arkansas, Mr. Jones, and others which he sends to the desk may be printed in the RECORD.

Mr. ALDRICH. I will yield to the wish of Senators about me and move an executive session, but I desire to give notice that it will be necessary that we shall have longer sessions and more persistent attempts, anyhow, to secure action upon the bill.

Mr. BAILEY. Would it be objectionable to the Senator from Rhode Island to also print the statements of the late Senator Jones and the late Senator Vest in document form, so that we may have them convenient for comparison?

Mr. ALDRICH. I do not see any reason for printing them as a document. They can be printed in the RECORD. I would not have the slightest objection to printing them in parallel columns, because the coincidence is certainly remarkable. I could put into the RECORD, also, similar statements about ad valorem duties and extreme rates in the act of 1890 and the act of 1883. If the Senator desires it, I will try to have some of those things put in parallel columns.

Mr. DOLLIVER. I understand the suggestion of the Senator from Rhode Island very well. I have had no access to the matters referred to, although I have been familiar with the statistics of this Government for some years. But I have tried to give such information as I had at first hand. I have not reached out under the desk for a memorandum to answer the questions of Senators without disclosing to the Senate the author of the memorandum and all the information contained in it.

Mr. ALDRICH. I have not——

Mr. BAILEY. I simply want to say that it is a little unusual now, but in the course of ten or fifteen years it will not be at all unusual to see Republicans repeat Democratic arguments on the tariff question, and we might as well get used to it now.

Mr. GALLINGER. Or a Democrat repeating Republican arguments.

Mr. BAILEY. The world progresses. When it goes back we will be repeating the Republican arguments. With progress it will be the other way.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Rhode Island? The Chair hears none, and the order is made.

Mr. BAILEY. Before the order is entered I would myself like to have the statements as they are printed in the RECORD reprinted in document form.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas?

Mr. ALDRICH. I have no objection.

The PRESIDENT pro tempore. The Chair hears no objection, and the order is made.

The matter referred to is as follows (S. Doc. No. 29):

[From the CONGRESSIONAL RECORD of June 24, 1897, pp. 1976–1981.]

Mr. JONES of Arkansas. The immediate amendment under consideration is the proposition to insert, in line 13, the words "or of which wool is the component material of chief value," in paragraph 364; and after the word "wholly," in the same line, to strike out the words "or in part."

Mr. President, attention was called to the fact on yesterday that when the flax schedule was constructed, in every instance it was said as to certain fabrics of flax, hemp, or ramie, where the material of chief value in the mixed fabric of flax and cotton was cotton, that it should pay as a cotton fabric, and should not have the tariff that was intended to be put on the flax fabric. That is also the case in the silk schedule. Where there is a mixture of silk and cotton or other material, in every instance the paragraph provides that where a fabric is composed of silk or partly of silk, in which silk is the component material of chief value, then the rate of taxation put on the silk fabric shall stand; but if the component material of chief value is cotton, the material is not treated as a silk fabric at all, and the rates are put upon it as a cotton fabric.

In this wool schedule it seems to me that there is a singular disregard of the facts that enter into this schedule. When an American manufacturer manufactures a piece of cloth which weighs 10 pounds, Congress fixes a rate of protection on that, and this law proposes to give the manufacturer a tariff of 50 per cent to protect him in the manufacture of these woolen cloths. Fifty per cent goes into the manufacturer's tariff as the manufacturer's protection clear through this bill. If an American manufacturer manufactures a piece of cloth which weighs 10 pounds, he is satisfied, as we understand this bill, and its friends are satisfied, that he shall have a manufacturer's protection of 50 per cent; but when he has manufactured 10 pounds of cloth he says, "I manufactured this cloth, and while I am content with the 50 per cent protection I get as a manufacturer, yet I have been handicapped by being compelled to pay a tariff on my raw material, which I ought to be indemnified for."

Then you go about ascertaining what he is entitled to. His statement is that it requires 3 pounds of wool in the grease to make 1 pound of wool scoured or in the cloth, and that for every 10 pounds of cloth the manufacturer requires he has to buy 30 pounds of wool in the grease. That is under the paragraph as you propose it. If that be true, there must be 10 cents a pound paid upon the wool in the grease, and the manufacturer must have paid tariff on the amount of wool used in the manufacture of 10 pounds of cloth at 10 cents per pound on 30 pounds of wool, making $3, which he has paid as the tariff on his raw material. If these 10 pounds of goods are worth $10, 50 cents' protection will be a protection of $5 as the manufacturer's protection. But he says he must have that without having it decreased by the $3 taken to pay the tariff on the raw wool. Hence he must have, in addition to the tariff, an ad valorem equivalent to the amount of tariff he has been compelled to pay on his raw material.

You say that, having used 30 pounds of wool in the grease to make 10 pounds of cloth, the 10 cents a pound paid by the manufacturer as a tariff on the wool in the grease must be allowed him. So we fix the tariff that for every pound of cloth in the manufacture there shall be a tariff amounting to three times the amount of the tariff that was paid upon a pound of raw wool. So there is a tariff of 30 cents a pound on the cloth, 10 pounds making $3, and the tariff is $3 specific, in addition to the 50 per cent tariff to compensate for the $3 paid on the raw wool when the manufacturer buys his wool.

Mr. President, if this were true, if the manufacturer actually used 30 pounds of raw wool in making 10 pounds of woven wool, the argument would be all right, and, from the standpoint of Senators on the other side, be just and fair; but suppose, as a matter of fact, that in that 10 pounds of cloth, instead of having 10 pounds of wool he only has 5 pounds of wool and 5 pounds of cotton, where, then, can be the justification of giving him $3 protection for a tariff when he pays but $1.50, all he has used being 5 pounds of wool in his manufacture of cloth—one-half wool and one-half cotton. There are 5 pounds of wool and 5 pounds of cotton in that 10 pounds of cloth, and the tariff he paid for the material he used in making the 5 pounds of cotton cloth and that he used in making 5 pounds of woolen cloth, one-half of the woolen fabric, would take, instead of 30 pounds of wool in the grease, but 15 pounds of wool in the grease; and when you propose to give him a compensation of $3 where he has paid but $1.50, you are treating the American public unjustly and unfairly, and increasing his protective tariff beyond what he himself says is necessary for him to have.

The argument is stronger still if there is but one-tenth of wool, and yet under the terms of this bill you propose that if there is one-tenth wool you shall pay the full amount as if the whole of it was composed of wool.

Mr. President, I submit that in a fabric where there is but one-tenth wool it is not fair that it should be treated in the same way as if it were composed wholly of wool; and that where wool is the material of least value, that that fabric should be considered as a cotton fabric and treated as such, and these wool tariffs ought not to go on it. Take the 50 per cent, if you choose; but you have no right to give him a compensation for ten times as much wool as he puts into his fabric, or four times as much, or twice as much.

I respectfully submit that these facts can not be gainsaid or denied, and you can not get away from them. You are under the guise, under the pretense, of giving a compensatory duty to the manufacturer to compensate him for the wool he puts in his material, giving him ten times the amount of wool in some cases on which a tariff has been paid to the Government. In this particular case to-day you are passing this bill; and whenever it becomes a law the American manufacturer takes his 30 pounds of wool, upon which he has not paid one cent of duty, and yet you propose to put a tariff upon the fabric in addition to the 50 per cent that he says is all he wants, in addition to the 50 per cent which is all that the manufacturers claim they are entitled to.

In addition to that, you propose to put a specific duty, under the pretense of compensating him for the tariff he has paid upon wool, which he has not paid, and which you know he has not paid, and which you have admitted on the floor of the Senate that he has not paid, and yet you levy this tax upon the people to make woolen manufacture more profitable, and instead of giving him 50 per cent, you propose to give him 80 or 90 per cent.

The plain matter of fact in this case can not be evaded; it can not be dodged. If the words I have proposed, "or of which wool is the material of chief value," be inserted, and then these rates go into effect, they will be much less unjust and unfair than the terms of the bill as proposed by the committee.

The PRESIDING OFFICER (Mr. CARTER in the chair). The yeas and nays having been ordered on the amendment proposed by the Senator from Arkansas [Mr. Jones], the Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CHILTON (when his name was called). I am paired with the Senator from Oregon [Mr. McBride].

Mr. HAWLEY (when his name was called). I am paired with the Senator from Tennessee [Mr. Bate]. I believe he is still absent, and so I shall not vote. If he were here, I should vote "nay."

Mr. RAWLINS (when his name was called). I am paired with the Senator from Ohio [Mr. Hanna].

Mr. WELLINGTON (when his name was called). I inquire if the Senator from North Carolina [Mr. Butler] has voted?

The PRESIDING OFFICER. He has not voted.

Mr. WELLINGTON. Then I withhold my vote, as I am paired with that Senator.

The roll call was concluded.

Mr. JONES of Arkansas. My colleague [Mr. Berry] is detained from the Senate Chamber by public business. If he were present, he would vote "yea." He is paired with the Senator from Illinois [Mr. Mason].

Mr. GEAR. I inquire if the senior Senator from New Jersey [Mr. Smith] has voted?

The PRESIDING OFFICER. He has not voted.

Mr. GEAR. Then I withhold my vote, as I am paired with that Senator. If he were present, I should vote "nay."

Mr. MURPHY. I am paired with the Senator from New Hampshire [Mr. Chandler], and therefore withhold my vote.

Mr. MORRILL. I am paired with the senior Senator from Tennessee [Mr. Harris], and therefore withhold my vote.

Mr. HANSBROUGH. I transfer my pair with the senior Senator from Virginia [Mr. DANIEL] to the Senator from Nevada [Mr. Jones], and vote "nay."

Mr. PASCO. I wish to announce that the Senator from Kentucky [Mr. Lindsay] is necessarily absent from the city. He is paired with the senior Senator from Michigan [Mr. McMillan].

Mr. SEWELL (after having voted in the negative). I inquire if the Senator from Wisconsin [Mr. Mitchell] has voted?

The PRESIDING OFFICER. He has not voted.

Mr. SEWELL. Then I withdraw my vote, as I am paired with that Senator.

The result was announced—yeas 23, nays 32, as follows:

YEAS—23.

| | | | |
|---|---|---|---|
| Allen | Gorman | Martin | Tillman |
| Bacon | Harris, Kans. | Mills | Turpie |
| Caffery | Jones, Ark. | Morgan | Vest |
| Clay | Kenney | Pasco | Walthall |
| Cockrell | McLaurin | Pettus | White |
| Faulkner | Mallory | Roach | |

NAYS—32.

| | | | |
|---|---|---|---|
| Allison | Foraker | Nelson | Shoup |
| Burrows | Frye | Penrose | Spooner |
| Carter | Gallinger | Perkins | Teller |
| Clark | Hale | Platt, Conn. | Thurston |
| Davis | Hansbrough | Platt, N. Y. | Turner |
| Deboe | Hoar | Pritchard | Warren |
| Elkins | Lodge | Proctor | Wetmore |
| Fairbanks | Mantle | Quay | Wilson |

NOT VOTING—34.

| | | | |
|---|---|---|---|
| Aldrich | Daniel | Kyle | Pettigrew |
| Baker | Gear | Lindsay | Rawlins |
| Bate | George | McBride | Sewell |
| Berry | Gray | McEnery | Smith |
| Butler | Hanna | McMillan | Stewart |
| Cannon | Harris, Tenn. | Mason | Wellington |
| Chandler | Hawley | Mitchell | Wolcott |
| Chilton | Heitfeld | Morrill | |
| Cullom | Jones, Nev. | Murphy | |

So the amendment of Mr. Jones of Arkansas was rejected.

The PRESIDING OFFICER. The question recurs on the adoption of the amendment of the committee.

Mr. JONES of Arkansas. I move to amend the amendment, in line 17, after the word "class," by inserting "for each pound of wool contained in said fabric;" after the word "class," in line 20, by inserting the same words; and after the word "class," in line 24, by inserting the same words.

The PRESIDING OFFICER. The amendment proposed by the Senator from Arkansas will be stated.

The SECRETARY. In paragraph 364, page 122, line 17, after the word "class," it is proposed to insert "for each pound of wool contained in said fabric;" in line 20, after the word "class," to insert "for each pound of wool contained in said fabric;" and in line 24, after the word "class, to insert "for each pound of wool contained in said fabric."

Mr. JONES of Arkansas. Mr. President, the first paragraph will read, if my amendment is adopted, as follows:

"364. On cloths, knit fabrics, and all manufactures of every description made wholly or in part of wool, not specially provided for in this act, valued at not more than 40 cents per pound, the duty per pound shall be three times the duty imposed by this act on a pound of unwashed wool of the first class for each pound of wool contained in said fabric."

I feel absolutely confident the Senator from Iowa [Mr. Allison] is so perfectly fair and just that he will accept this amendment. He does not want to give the manufacturers compensation for tariffs on wool which they do not pay. I am sure he is too fair a man to desire any such thing. When a fabric is made wholly of wool, then in 3 pounds of it there will be compensation for three times the tariff on a pound of unwashed wool; but if a fabric is made one-half of wool and one-half of cotton, then they will have a tariff on a pound of the mixed fabric for three times the amount of wool that is in the fabric; and the public will then pay the compensatory duty of 3 for 1 on every ounce of wool that goes into the fabric, and will pay a compensatory duty on wool for cotton that goes into the fabric, which would be 6 to 1 if it was half-and-half, and which would be 10 to 1 if it were nine-tenths cotton and only one-tenth wool under the bill as it stands at this time.

Mr. President, as I have pointed out already, and it was admitted by Senators upon the other side, it only takes 2 pounds of unwashed wool to make a pound of scoured wool; and nobody denies it. The wool that is imported in the largest quantity and which is consumed by the manufacturers does not take 3 pounds to make 1 pound of scoured wool; it only takes 2 pounds to make 1 pound of scoured wool, and the manufacturer pays a tariff on only 2 pounds of wool—that is, when he gets all wool in the fabric. This proposition will not even get rid of that evil, and it will let the manufacturer get 3 for 1, although he only pays 2 for 1 for every ounce of wool or for every pound of wool that enters into his fabric; and certainly nothing more ought to be asked.

Mr. ALLISON. How do you ascertain that?

Mr. JONES of Arkansas. You ascertain it like you ascertain anything else. There is not the slightest difficulty in figuring out the proportion of wool in the fabric. There is no trouble in ascertaining the amount of wool and the amount of cotton that is contained in the fabric, and the experienced custom-house officers can tell without difficulty the proportion of each.

The idea runs through the bill in numberless other instances, and the provision appears again and again. How can you determine about the value unless by weight? You put in the silk schedule everywhere and the flax schedule everywhere that if flax or silk is the component material of chief value—which is a question that is much more difficult to determine than to determine the question of weight—then the tax shall be governed by that. In this case you have only to determine as to the weight to determine the tax, which is a less complicated and difficult question than to determine the value. If in mixtures of flax or silk with other materials their values can be ascertained, how much easier would it be to ascertain the weight of wool that goes into a fabric.

Mr. ALLISON. Mr. President, I wish to say but a word respecting the amendments proposed by the Senator from Arkansas. The Senator from Arkansas calls attention to the amendment which has just been defeated, because he says the woolen manufacturer will receive an unjust compensatory duty, as we have provided here for three times the duty, although nine-tenths or three-fourths of the material may be of cotton. I do not intend to go into that this morning, having spoken briefly on the question last night; but the difficulty of dealing with that method as respects woolen fabrics lies in the fact that if wool is not the chief component or measure of value these fabrics, if they contain a greater value of cotton, will be thrown over into the cotton schedule.

Mr. JONES of Arkansas. That, as the Senator suggests, has been disposed of, but the question now is one of weight and not of value.

Mr. ALLISON. Very well; and I am disposing of this question now. That was objectionable for the reason that then it would be a cotton fabric and come in at 45 per cent ad valorem, and those who manufacture such goods abroad would bring in in the form of free wool under the cotton classification and under the cotton schedule probably half the fabrics that are used, because all they would have to do would be to provide for 50½ per cent of cotton as the component material of chief value, and then they would bring in 49½ per cent of wool free of duty, and in that way use the foreign wool that we are trying in this bill to protect our farmers against.

It so happens that in this schedule at least the manufacturers and the farmers are united in interest, for the reason that unless our farmers who produce wool can find a market for it with our own manufacturers they will have practically no market at all. Therefore, if they are to produce wool in this country under the protective system, they must have it practically manufactured in this country under the protective system as against free wool abroad. I know that is not the purpose of our friends upon the other side. If we are to have a duty upon wool and woolens, we must correlate those duties so that our woolen manufacturers will be protected against the inundation of free wools from abroad under the guise of cotton fabrics.

Mr. JONES of Arkansas. I merely want to suggest that, admitting for the sake of argument—which I do not—the Senator's position to be exactly correct, then he can have no objection to this proposition, because this proposition is to make the compensation on the wool actually contained in the goods, whether it be much or little.

Mr. ALLISON. The Senator proposes that this compensatory duty shall be upon the wool in a mixed fabric, and upon the weight of the wool. I should like to know by what method any expert or any appraiser can take a piece of goods with cotton warp, if you please, and know how much the wool in the fabric will weigh, and how much the cotton will weigh, unless he unravels it all. So it seems to me here is another indirect method whereby it is attempted to evade or avoid the very question in which our wool producers and woolen manufacturers are interested in common as respects these duties.

Mr. JONES of Arkansas. Will the Senator from Iowa permit me to ask him a question at this point? Paragraph 344 says:

"Woven fabrics or articles not specially provided for in this act, composed of flax, hemp, or ramie, or of which these substances or either of them is the component material of chief value, weighing 4 ounces, etc."

How is the custom-house officer to determine which is the component material of chief value? Say, for instance, the warp is cotton, the filling linen, or the warp half cotton and the filling mixed linen and cotton. How is the custom-house officer to tell which is the component material of chief value? If he can not tell how the woolen fabric is made, he can not tell how the flax fabric is made, and he can not tell how the silk fabric is made; and yet the Senator has brought propositions here which require him to do that in the silk schedule, and in the flax schedule; and if he is competent to do that in those cases, what is to prevent him from doing it in the woolen schedule? I should be glad to have the Senator explain how he can do it in the one and not in the other.

Mr. ALLISON. The Senator is mistaken wholly as to what is to be done. It is one thing to ascertain the component material of chief value, and another thing to ascertain how much the wool in a fabric weighs. The component material of chief value can easily be ascertained; but suppose he was required to ascertain whether 10 threads of cotton in the fabric weighed an ounce or the fraction of an ounce, and the other material three-quarters or a whole ounce.

Mr. JONES of Arkansas. Must he not first ascertain how much flax there is in the fabric before he determines what is the component material of chief value?

Mr. ALLISON. No, sir; certainly not.

Mr. JONES of Arkansas. How does he find the value?

Mr. ALLISON. Because the flax is worth a great deal more than a cotton fabric.

Mr. JONES of Arkansas. But if it is a question of the component material of chief value and not the fabric, it is the component material that makes the value.

Mr. ALLISON. Certainly; which is flax.

Mr. JONES of Arkansas. The flax thread. Then he has to find how many flax threads there are in the material and measure their value by the value of the flax and determine whether it is the component material of chief value. So in silks. You are bound to analyze it. You must first find the weight, and then compare it with the whole, and it is easier to get the weight than the value, because the question of value is to be determined after you find the weight, and it is more a matter of opinion than is the weight. The weight can be determined by scales. The value is a matter of opinion, to some extent, and in a constantly fluctuating market it is much more difficult to determine what is the value of a thing after you find the weight than it is to find the weight. But you can not find the value until you first find the weight, either in flax or silk.

Mr. ALLISON. The Senator from Arkansas differs with all other experts on the subject. That is all I have to say.

Mr. JONES of Arkansas. I am not an expert. I think that is the plain common-sense view of the situation.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Arkansas to the amendment of the committee.

Mr. JONES of Arkansas. On that I ask for the yeas and nays.

The yeas and nays were ordered; and the Secretary proceeded to call the roll.

Mr. CHILTON (when his name was called). I am paired with the Senator from Oregon [Mr. McBride].

Mr. CLARK (when his name was called). I am paired with the Senator from Kansas [Mr. Harris]. I do not see him in the Chamber, and therefore withhold my vote.

Mr. GEAR (when his name was called). I am paired with the Senator from New Jersey [Mr. Smith].

Mr. HANSBROUGH (when his name was called). I again announce the transfer of my pair with the senior Senator from Virginia [Mr. DANIEL] to the Senator from Nevada [Mr. Jones], and I will vote. I vote "nay."

Mr. HAWLEY (when his name was called). I announce for the day my pair with the Senator from Tennessee [Mr. Bate].

Mr. MURPHY (when his name was called). I am paired with the Senator from New Hampshire [Mr. Chandler].

Mr. RAWLINS (when his name was called). I am paired with the junior Senator from Ohio [Mr. Hanna].

Mr. WARREN (when his name was called). I am paired with the junior Senator from Washington [Mr. Turner]. If he were present, I should vote "nay."

Mr. WELLINGTON (when his name was called). I have a general pair with the Senator from North Carolina [Mr. Butler]. As he is absent, I withhold my vote.

The roll call was concluded.

Mr. KENNEY. I inquire whether the junior Senator from Pennsylvania [Mr. PENROSE] has voted?

The VICE-PRESIDENT. He has not voted.

Mr. KENNEY. Being paired with that Senator, I withhold my vote.

Mr. JONES of Arkansas. I again announce the pair of my colleague [Mr. Berry] with the Senator from Illinois [Mr. Mason]. If my colleague were present, he would vote "yea."

The result was announced—yeas 22, nays 28, as follows:

YEAS—22.

| | | | |
|---|---|---|---|
| Allen | Heitfeld | Mitchell | Turpie |
| Bacon | Jones, Ark. | Morgan | Vest |
| Caffery | McLaurin | Pasco | Walthall |
| Clay | Mallory | Pettus | White |
| Cockrell | Martin | Roach | |
| Faulkner | Mills | Tillman | |

NAYS—28.

| | | | |
|---|---|---|---|
| Allison | Frye | Mantle | Sewell |
| Burrows | Gallinger | Perkins | Shoup |
| Carter | Hale | Platt, Conn. | Spooner |
| Davis | Hansbrough | Platt, N. Y. | Teller |
| Elkins | Hoar | Pritchard | Thurston |
| Fairbanks | Lodge | Proctor | Wetmore |
| Foraker | McEnery | Quay | Wilson |

NOT VOTING—39.

| | | | |
|---|---|---|---|
| Aldrich | Daniel | Jones, Nev. | Penrose |
| Baker | Deboe | Kenney | Pettigrew |
| Bate | Gear | Kyle | Rawlins |
| Berry | George | Lindsay | Smith |
| Butler | Gorman | McBride | Stewart |
| Cannon | Gray | McMillan | Turner |
| Chandler | Hanna | Mason | Warren |
| Chilton | Harris, Kans. | Morrill | Wellington |
| Clark | Harris, Tenn. | Murphy | Wolcott |
| Cullom | Hawley | Nelson | |

So the amendment of Mr. Jones of Arkansas to the amendment of the committee was rejected.

Mr. JONES of Arkansas. I now offer, to come in at the end of the paragraph, the following proviso:

"*Provided*, That the specific duties provided for in this paragraph shall not become operative until twelve months after the passage of this act."

I shall ask for the yeas and nays on the amendment, and I hope the Senate will adopt it.

The Senator from Iowa has this morning distinctly admitted to the Senate that there is a twelve months' supply of wool now in the country; that it has been imported, and no tariff has been paid upon it. The specific duties provided for in this paragraph are intended, or it is pretended that they are intended, as compensatory to the manufacturers for the tariff they pay on the wool they import.

Whenever, after this bill becomes operative, the manufacturer imports wool, he must pay the tariff of 10 cents a pound. When he imports enough to make a pound of cloth, upon the assumption on the other side, he must pay 30 cents, or 10 cents on each of the 3 pounds of wool out of which to make 1 pound of cloth. In addition, the 50 per cent—25 per cent more than has been the law since the Wilson bill was passed—which has been considered ample to protect the manufacturers, is already provided for in the bill, and it is not right that compensation should be allowed to them for tariff they have not paid. When a twelve-months' supply, by the admission of the Senator from Iowa, has been imported into the country without paying any duty, there is no justice, there is no fairness, in allowing a compensation of 30 cents on every pound of manufactured cloth made out of this wool as compensation for tariff they have not paid.

As the Senator from Iowa has admitted that there is a year's supply of wool in the country, and as the manufacturers will use raw wool for twelve months upon which they have paid no duty, the amendment ought to be adopted, so that the people will not be compelled to pay the manufacturers an increased price because of duties they have not paid. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. COCKRELL. Let the amendment be stated.

The SECRETARY. At the end of paragraph 364 it is proposed to insert the following proviso:

"*Provided*, That the duties provided for in this paragraph shall not become operative until twelve months after the passage of this act."

Mr. WHITE. I simply desire to call attention to the fact that the ad valorem duty in the paragraph is higher than under the McKinley Act.

Mr. VEST. In paragraph 364 the duties upon goods valued at not above 50 cents per pound amount to 154.30 per cent, and upon goods above 50 cents per pound, 94.45 per cent. It always happens that the higher duty is upon the cheap goods and the smaller duty upon the dear goods.

The statements of my colleague, the Senator from Arkansas, in regard to the injustice of this paragraph are unanswerable, absolutely so. We were told by the Senator from Rhode Island [Mr. ALDRICH], when he made his opening speech in this debate, that on account of the immense amount of wool which would be brought into this country, especially under free wool—to use his expression, which would be rushed into the country before the bill became a law—it would be absolutely necessary to find revenue for the immediate wants of the Government somewhere else, and for that reason our Republican friends propose to put a duty on beer and on tea, abandoning as to tea the time-honored arguments of the Republican party against any such duty, because that is a simple revenue duty, all of which goes into the Treasury without any protection to the individual manufacturer at all.

Yet with that very argument made here, it is now proposed, besides these enormous duties which I have named, to give to the manufacturers a simple, naked gratuity, out of the tax money of the people. It is nothing else. There is no pretense that they are entitled to the duties which are now proposed on the ground that they use this taxed wool. They have already got the wool. I saw a statement in a woolen journal yesterday that they had a two-year supply. Even if they have a one-year supply, what is it but naked robbery, under the forms of law, to give them this enormous duty, when there is no basis in the world for it?

Mr. PLATT of Connecticut. What is the contention; that there is a year's supply of wool in the hands of the manufacturers?

Mr. JONES of Arkansas. There has been a year's supply of wool imported into this country, according to the statements of all wool men. It amounts to a full year's consumption. The Senator from Iowa admitted awhile ago that such is the fact. Now they have that wool without paying any tariff on it, and yet you propose to put compensatory duties in this paragraph to compensate them for tariffs never paid.

Mr. PLATT of Connecticut. Not that the manufacturers have got it. If it is in the hands of speculators, being held to charge the manufacturers the price to which it will be raised by the duty, then the manufacturers derive no advantage from it.

Mr. JONES of Arkansas. I presume the men who want the wool imported it, and the Senator from Rhode Island stated in his opening speech, as referred to by the Senator from Missouri, that this was being done and that the practical effect of it was to deprive the Treasury of the revenue, and to compensate for that failure and so that the Treasury might get the revenue that ought to have come from it, you propose to put a tax on beer and tea.

Mr. PLATT of Connecticut. I merely rose for the purpose of saying that as I understand the situation a very small proportion of this wool has been imported by the manufacturers, but it has been imported largely by people with the idea of speculating upon it. I do not like that, but at the same time I do not think their sins ought to be visited upon the manufacturers.

Mr. JONES of Arkansas. When the Wilson bill was being framed, the manufacturers came here and insisted that as they had paid tariff on the raw materials which they used in manufacturing their goods it was not right for them to be compelled to sell their fabrics in open market in competition with fabrics made from free wool, as we proposed to make it free. Recognizing the justice of that claim, the Wilson Act provided that the wool tariff should not go into effect as to woolen fabrics until January, 1895, to give them a market in which to sell the goods which they had made out of taxed wool, to compensate them for what they had done.

Now the same men are here, and they propose to manufacture goods out of free wool, and when we propose that they shall not be allowed to saddle the people with an expense they have not incurred, they forget the sense of duty which animated us then, and I am ashamed to say that the Senate seems not to appreciate the gravity of the situation.

Mr. WHITE. I merely desire to say that if the manufacturers of woolen goods have not imported the wool, and do not now possess it, they have displayed in that regard far less ability and attention to their business than has been manifested with reference to the preparation of the proposed act.

Mr. CAFFERY. I call the attention of the Senator from Connecticut to the fact that the Senator from Rhode Island, in his opening speech, stated that no considerable revenue could be expected for two years from the duty on wool, and he made his calculations of a surplus something over $2,000,000 only for the next two years, and limited the duration of the tea tax and the tax on beer to that period. Under any circumstances this tax is utterly indefensible, for if the wool has been imported by importers and not by manufacturers, and they ask a high price for it, the manufacturers can import wool without the payment of duty. It occurs to me, however, that it is an evasion to say that the parties interested in the importations were mere speculators, who might be crushed by the failure of the manufacturers to buy their imported articles.

Mr. PLATT of Connecticut. I did not say and do not say that there have not been, perhaps, unusual importations of wool by manufacturers, but the great bulk of it is in the hands of the wool merchants. The manufacturers buy in advance, of course.

Mr. CAFFERY. Who are the wool merchants?

Mr. PLATT of Connecticut. There may have been importations. I am only speaking of what I have been advised. I do not know how it may be.

Mr. JONES of Arkansas. They buy on commission, as a rule?

Mr. PLATT of Connecticut. I presume so.

Mr. JONES of Arkansas. When they buy on commission, they buy for their principals. Seventy million pounds of wool came in month before last.

Mr. WHITE. It is wholly unlikely that these people have not attended to their interests, and it is not at all probable that they are walking around, not knowing what to do, while other people are importing wool. I suppose the wool manufacturers have a vague idea that a wool schedule will probably be adopted some day, and they doubtless had such an idea soon after the last election.

Mr. PLATT of Connecticut. Senators on the other side seem to suppose—and I know that nothing I can say will change their opinion about it—that every wool manufacturer in the United States is a very rich man, who can buy a year's stock of wool in advance and carry it. The contrary is the fact. Most of the woolen manufacturers of the United States are not wealthy, and have no surplus cash on hand to invest in a year's supply of wool.

Mr. RAWLINS. Will the Senator from Connecticut yield to me for a question? I will ask the Senator if it is not the theory of the Republican party, frequently expressed by its leaders, including the President of the United States, that the foreigner pays the import duty, the tax; and if that is true, upon what theory does the Republican party justify the imposition of compensatory duties to make good the domestic manufacturer on account of the supposed increased cost of his raw material?

Mr. PLATT of Connecticut. I must ask to be excused from entering into a discussion of the principles upon which the protective system is based. Unfortunately, the Senators who would like to explain it fully and at great length, and answer the very remarkable and wonderful statements which have been made on the other side for the last three or four weeks are compelled to sit silent in order to secure the passage of the pending bill within any time that will satisfy the country.

Mr. MILLS. I think it is a creation of fancy on the part of the Senator from Connecticut that wool is imported into this country by speculators and then sold to the woolen manufacturers. The woolen manufacturers could not carry on their business in that way. They have to have experts to buy their wool. The wool is bought for a particular purpose, and a particular kind of wool is bought and a particularly skillful person is appointed to do the work. I remember a few years ago being in New England and in one of the largest woolen manufacturing establishments, and they pointed me to a gentleman whom they said they paid $10,000 a year to purchase their wool for them, and they said he could shut his eyes and stick his hand into a bag of wool and tell what sort of wool it was. They have to have a high-priced man to do that business. They are importing wool for themselves.

Mr. ALLEN. Mr. President, I have been very highly edified for the last three days in listening to the discussion of the question whether there is 1 pound of pure wool in 3 pounds of wool in the grease, or whether there is 1 pound of pure wool in 4 pounds of wool in the grease. I think that is a subject which has been discussed largely and extensively here during the entire week.

This question assumes a greater range than the mere discussion of schedules or the arrangement of details. It involves the discussion of principles, it involves the discussion of consequences, and it occurs to me that the thing which ought to present itself most strongly to the mind of every Senator is whether the seventy-odd million people in the

United States are to bear the burden of an enormous taxation upon woolen articles necessary to their life and their comfort.

I do not suppose there is a sheep in the United States to every inhabitant, and yet the question of wool, the question of sheep, has occupied the attention of the Senate now for the last week. It is a mere spectacular performance before the country. There is nothing else to it. Upon the one hand stand a few sheep growers and a few wool owners who have contributed largely to the campaign funds in the past and who are now demanding their compensation in the form of a prohibitory statute, and on the other hand stand the millions of lambs in this country to be shorn by the tax.

What difference does it make so far as the particular item now under discussion is concerned? The whole purpose and scope of the bill are not only to lay upon the backs of the people of this country additional burdens in the form of taxation, but it has a deeper significance, as expressed by the chairman of the Ways and Means Committee of the House of Representatives, and therein lies one of its secret and hidden purposes, and that is to create a fund so great, a surplus so great, that it can be used as a means of retiring the greenbacks and the legal-tender notes and the other forms of money which have been issued by this Government.

It is the first step in that direction. If the bill passes and produces, as I believe it will not, a surplus revenue, then the jackals and the cormorants who profit by it will hold up their hands and elevate their sanctified noses and demand at the hands of Congress legislation that will retire the greenbacks and legal-tender notes. Then, when that is accomplished, as doubtless it will be accomplished if things are to go on in the future as they have gone in the past few years, we will be informed that we have not sufficient money, which we all now know. We will have committed then the suicidal policy of retiring the greenbacks and legal-tender notes that are so dear and sacred to the common people of this country, and then we will be informed that the only remedy the people have, the only relief we can give them, will be relief in the form of an extension of the powers of national banks.

Then this country will have passed into the hands of the manufacturers, the national banks, and the great railway transportation lines of the country, and the people will be absolutely and unqualifiedly at their mercy. These consequences can not be escaped. Yet dignified Senators stand here and argue like boys at school upon the grave and solemn question whether there are 2 pounds of grease to 1 pound of pure wool or whether there are 3.

Mr. President, I want to see the bill pass. I want to see it pass as speedily as possible. In my judgment it will be the gigantic failure of the age. It will fall short of producing revenue. Although its purpose is as I said, I want to see the great body of honest American citizens who believe there is something in the tariff issue to learn by bitter experience, if they can not learn otherwise, that the tariff is a delusion and a snare, and that the only question for the American people to decide—the great question which they must decide correctly if the Government is to survive—is the question of the volume and character of our money.

I am perfectly willing, so far as I am concerned, to walk into this Chamber occasionally and vote upon these schedules. I do not say that I will or will not vote upon the measure as a whole when it is submitted. I do not know what course I shall pursue then; but I believe, and I believe the American people are becoming daily convinced, that the bill will be a failure the moment it is adopted. But if they want tariff, if nothing but tariff will do, if our Republican friends say the settlement of the tariff question will settle the question of prosperity, then let us have tariff, and let us have it speedily, and let it be high, Mr. President.

Let it be as high as it is possible for our friends on the other side to make it. Let it prohibit the importation of hundreds of articles. Then what will be the result? Where will prosperity come from? Oh, the mills will open, so say our friends; men will be set at work in the different departments of industry and in manufacturing. But there must be a market for the articles that are manufactured before you can set your mills to work. Where is that market to be found? It can not be found in the United States, because the people are too poor to purchase the articles manufactured. No man is going to manufacture an article without first knowing he is going to have a market for it. It is rot and nonsense to sit here day after day and discuss this simple question.

The VICE-PRESIDENT. The Secretary will call the roll on agreeing to the amendment of the Senator from Arkansas [Mr. Jones] to the amendment of the committee.

The Secretary proceeded to call the roll.

Mr. CHILTON (when his name was called). I am paired with the Senator from Oregon [Mr. McBride].

Mr. GEAR (when his name was called). I am paired with the Senator from New Jersey [Mr. Smith].

Mr. KENNEY (when his name was called). I announce my pair with the junior Senator from Pennsylvania [Mr. PENROSE], and withhold my vote.

Mr. MCLAURIN (when his name was called). I announce my pair with the Senator from North Carolina [Mr. Pritchard].

Mr. RAWLINS (when his name was called). I am paired with the Senator from Ohio [Mr. Hanna].

Mr. WARREN (when his name was called). I again announce my pair with the junior Senator from Washington [Mr. Turner].

Mr. WELLINGTON (when his name was called). I again announce my pair with the junior Senator from North Carolina [Mr. Butler], and in his absence withhold my vote.

The roll call was concluded.

Mr. TILLMAN. Has the Senator from Nebraska [Mr. Thurston] voted?

The VICE-PRESIDENT. He has not voted.

Mr. TILLMAN. I am paired with that Senator, and therefore withhold my vote.

Mr. MALLORY. I am paired with the Senator from Vermont [Mr. Proctor]. If he were here, I should vote "yea."

Mr. JONES of Arkansas. I again announce the absence of my colleague [Mr. Berry]. If he were present, he would vote "yea." He is paired with the Senator from Illinois [Mr. Mason].

Mr. HARRIS of Kansas. I am paired with the junior Senator from Wyoming [Mr. CLARK]. If he were present, I should vote "yea."

Mr. MARTIN. I am paired with the senior Senator from Montana [Mr. Mantle]. I should vote "yea" if he were present.

Mr. GRAY. I ask if the senior Senator from Illinois [Mr. CULLOM] has voted?

The VICE-PRESIDENT. He has not voted.

Mr. GRAY. I am paired with that Senator, and withhold my vote.

Mr. WARREN. By an arrangement with the Senator from Kansas [Mr. Harris], I transfer my pair with the Senator from Washington [Mr. Turner] to my colleague [Mr. CLARK], so that the Senator from Kansas and myself can vote. I vote "nay."

Mr. HARRIS of Kansas. I vote "yea."

The result was announced—yeas 18, nays 27; as follows:

YEAS—18.

| | | | |
|---|---|---|---|
| Allen | Faulkner | Morgan | Vest |
| Bacon | Harris, Kans. | Murphy | Walthall |
| Caffery | Jones, Ark. | Pasco | White |
| Clay | Mills | Pettus | |
| Cockrell | Mitchell | Roach | |

NAYS—27.

| | | | |
|---|---|---|---|
| Allison | Foraker | Nelson | Spooner |
| Burrows | Frye | Perkins | Stewart |
| Carter | Gallinger | Platt, Conn. | Teller |
| Chandler | Hale | Platt, N. Y. | Warren |
| Deboe | Hoar | Quay | Wetmore |
| Elkins | Lodge | Sewell | Wilson |
| Fairbanks | McEnery | Shoup | |

NOT VOTING—44.

| | | | |
|---|---|---|---|
| Aldrich | Gear | Kyle | Pettigrew |
| Baker | George | Lindsay | Pritchard |
| Bate | Gorman | McBride | Proctor |
| Berry | Gray | McLaurin | Rawlins |
| Butler | Hanna | McMillan | Smith |
| Cannon | Hansbrough | Mallory | Thurston |
| Chilton | Harris, Tenn. | Mantle | Tillman |
| Clark | Hawley | Martin | Turner |
| Cullom | Heitfeld | Mason | Turpie |
| Daniel | Jones, Nev. | Morrill | Wellington |
| Davis | Kenney | Penrose | Wolcott |

So the amendment to the amendment was rejected.

Mr. JONES of Arkansas. I move, in line 15, paragraph 364, to strike out the words "three times" and insert "twice;" so that the compensatory duty upon the manufactured material, instead of being three times the cost of a pound of unwashed wool, shall be twice the cost of a pound of unwashed wool. It was admitted yesterday in debate a number of times that Port Phillip wool, which, as nobody will deny, is the wool mainly imported and used by the manufacturers, shrinks at the rate of about 50 per cent, or that 2 pounds of unwashed wool will make a pound of scoured wool. There is no reason for making larger the increases in favor of manufactures. They go exactly in the line of the other outrages we have been speaking about. I hope the Senate will adopt this amendment.

The VICE-PRESIDENT. The question is on the amendment of the Senator from Arkansas [Mr. Jones] to the amendment of the committee.

Mr. JONES of Arkansas. I ask for the yeas and nays on the amendment to the amendment.

The yeas and nays were ordered; and the Secretary proceeded to call the roll.

Mr. CHILTON (when his name was called). I am paired with the Senator from Oregon [Mr. McBride].

Mr. GEAR (when his name was called). I am paired with the Senator from New Jersey [Mr. Smith].

Mr. GRAY (when his name was called). I am paired with the Senator from Illinois [Mr. CULLOM] on this question. If he were present, I should vote "yea."

Mr. KENNEY (when his name was called). I am paired with the Senator from Pennsylvania [Mr. PENROSE].

Mr. MCLAURIN (when his name was called). I am paired with the Senator from North Carolina [Mr. Pritchard].

Mr. MALLORY (when his name was called). I am paired with the Senator from Vermont [Mr. Proctor]. If he were present, I should vote "yea."

Mr. RAWLINS (when his name was called). I am paired with the Senator from Ohio [Mr. Hanna].

Mr. WARREN (when his name was called). By the same arrangement that was heretofore made I transfer my pair with the junior Senator from Washington [Mr. Turner] to my colleague [Mr. CLARK], so that the Senator from Wyoming [Mr. CLARK] will stand paired with the Senator from Washington [Mr. Turner], and thus relieve the Senator from Kansas [Mr. Harris] and myself. I vote "nay."

Mr. WELLINGTON (when his name was called). I again announce my pair with the junior Senator from North Carolina [Mr. Butler].

The roll call was concluded.

Mr. HARRIS of Kansas. Under the arrangement stated by the Senator from Wyoming [Mr. WARREN] I am at liberty to vote. I vote "yea."

Mr. MARTIN. I desire to announce my pair with the senior Senator from Montana [Mr. Mantle]. I should vote "yea" if he were present.

Mr. JONES of Arkansas. I announce for the day the pair between my colleague [Mr. Berry], who is detained from the Chamber by public duties, and the Senator from Illinois [Mr. Mason]. If my colleague were present, he would vote "yea."

The result was announced—yeas 19, nays 26; as follows:

YEAS—19.

| | | | |
|---|---|---|---|
| Allen | Faulkner | Morgan | Tillman |
| Bacon | Harris, Kans. | Murphy | Vest |
| Caffery | Jones, Ark. | Pasco | Walthall |
| Clay | Mills | Pettigrew | White |
| Cockrell | Mitchell | Pettus | |

NAYS—26.

| | | | |
|---|---|---|---|
| Allison | Foraker | Perkins | Teller |
| Burrows | Frye | Platt, Conn. | Thurston |
| Carter | Gallinger | Platt, N. Y. | Warren |
| Chandler | Hale | Quay | Wetmore |
| Deboe | Hoar | Sewell | Wilson |
| Elkins | Lodge | Shoup | |
| Fairbanks | McEnery | Spooner | |

NOT VOTING—44.

| | | | |
|---|---|---|---|
| Aldrich | Gear | Kyle | Penrose |
| Baker | George | Lindsay | Pritchard |
| Bate | Gorman | McBride | Proctor |
| Berry | Gray | McLaurin | Rawlins |
| Butler | Hanna | McMillan | Roach |
| Cannon | Hansbrough | Mallory | Smith |
| Chilton | Harris, Tenn. | Mantle | Stewart |
| Clark | Hawley | Martin | Turner |
| Cullom | Heitfeld | Mason | Turpie |
| Daniel | Jones, Nev. | Morrill | Wellington |
| Davis | Kenney | Nelson | Wolcott |

So the amendment to the amendment was rejected.

[From the CONGRESSIONAL RECORD of June 24, 1897, pp. 1989–1993.]

Mr. JONES of Arkansas. Mr. President, I was very much interested in the part of the remarks of the Senator from Delaware relating to the cost of goods and the illustrations which he gave to the Senate. I have a number of similar samples. I have in my hand a fabric, "cotton warp worsted," the cost of which abroad is 32 cents a yard. Under the Wilson law the tariff on this article would be 12.8 per yard—less than 13 cents a yard. The tariff under the present proposed measure would be 25 cents specific and 50 per cent ad valorem, which would be equivalent to 16 cents. The foreign cost is 32 cents, and 50 per cent, the manufacturer's tariff provided in this bill, would be 16 cents, and the compensatory tariff for the next twelve months, to be given to the manufacturer for no consideration whatever, will be 25 cents on an article costing 32 cents.

I have already pointed out to the Senate that there is no tariff paid upon the wool out of which these goods will be manufactured and that we are giving a compensatory tariff for tariffs which are not paid and will not be paid for the next twelve months on this article costing 32 cents. We are paying 25 cents compensatory tariff, together with an ad valorem equivalent to 16 cents, to the manufacturers to protect them in their manufacture. This illustrates the outrage of giving a compensation, against which we have protested and against which we have again and again to-day voted. It shows the wrong in this matter, and it is not by any means a small matter.

I have here samples of another fabric, costing 21 cents abroad, on which the tariff under the present law is 8.4 cents per yard. The tariff under this bill would be 50 per cent ad valorem, equivalent to 10½ cents on a cost of 21 cents; and the compensatory specific tax intended to compensate for the tariff upon wool which was not paid is 21.6 cents a yard on an article that cost 21 cents. The specific compensatory tax paid on that fabric is more than 100 per cent of the foreign cost; and in addition to that there is a tariff of 50 per cent that is given to the manufacturer for protection.

This manifestly shows how this compensatory tax for a tariff never paid operates on the people of this country. When we buy abroad $100 worth of this article, we must pay not only the $50 for the manufacturer's protection, but we must pay more than $100 as a tax to compensate the manufacturers for tariffs they have not paid—a plain, naked robbery. There can be no more polite or civil word used in connection with such legislation.

I have another sample here of wool and cotton suitings, which cost 66 cents a yard abroad. The tariff under the present law is 26.4 cents. The ad valorem tariff of 50 per cent under the pending bill would be, of course, 33 cents a yard, and the compensatory tariff paid for the imaginary wool tariff is 54 cents. But it is scarcely necessary to multiply examples of this kind. I have here samples of another and lighter character of goods which cost 22 cents a yard abroad. Under the present law the duty is 40 per cent, which would be 8.8 cents, a little less than 9 cents. Under the Senate bill there is a duty of 50 per cent ad valorem, which, of course, would be 11 cents, the foreign cost being 22 cents; and the compensatory tax, the specific tax placed on the fabric to pay the manufacturer for the tariff that he has not paid on this article costing 22 cents, is 24 cents—more than 100 per cent, in addition to the entire 50 per cent, which the manufacturers claim is all the protection they ask.

The manufacturers have lived under the general tax of 40 per cent in the Wilson law when they have had free wool; and now when you propose to tax the wool by a protective tariff of 50 per cent ad valorem, a rise of 25 per cent on the tariff theretofore existing, and in addition to that a specific tax of 24 cents a pound, under the false pretense of indemnifying them for tariffs that they have paid on the raw wool, when they have never paid one cent, you are putting a tax of more than 100 per cent on the goods which are used by our people. What is the use of saying that the purpose of this thing is not to raise the price of these articles to the people? If it does not mean that, why do you want this protection? Why would these people come here asking for these taxes if they did not believe that they would increase the cost?

It is a matter well known to all of us that it does increase and raise these prices by these amounts; and if they do not, the men who are asking for the passage of this bill will be worse fooled than anybody else.

Mr. President, I had not intended to detain the Senate longer, but my associates around me say, "Give us another sample." I have laid aside a number of these. Here [exhibiting] is a sample of heavy, coarse cloth used for the purpose of making coarse, cheap overcoats. It costs 31 cents a yard, and the duty on this under the present law is 12.4 cents a yard, making it cost 43.4 cents when brought in here. Under the present tariff it would be 15½ cents a yard. The compensatory tariff paid upon this article for wool upon which no tariff has ever been paid, while the fabric costs 31 cents, is 42 cents a yard, more than 125 per cent tariff upon this fabric to protect the manufacturers for a tariff not one solitary cent of which they have ever paid, but the whole of which is paid by the people.

I have a number of pieces of these goods on my desk, and I shall not go over all of them. They include ladies' dress goods and goods for men's wear. I shall insert in the RECORD the statements accompanying these samples, so that Senators who are interested in the subject may examine them.

The statements referred to are as follows:

27-inch black luster orlean for men's summer coats, cotton warp and worsted weft, costing 3⅜ pence per running yard, weighing under 4 ounces to the square yard:

| | Cents. |
|---|---|
| Present duty, 40 per cent | 2.70 |
| Under Senate bill the duty will be— | |
| 5½ cents per square yard | 4.13 |
| And 50 per cent | 3.37 |
| Total | 7.50 |

which, if entirely ad valorem, would be 111 per cent duty.

27-inch black luster orlean for men's summer coats, cotton warp and worsted weft, costing 4⅛ pence per running yard, weighing under 4 ounces to the square yard:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 4.13 |
| Under Senate bill the duty will be— | |
| 5½ cents per square yard | 4.13 |
| And 50 per cent | 4.13 |
| Total | 8.26 |

which, if entirely ad valorem, would be 100 per cent duty.

27-inch black luster sicilian for men's summer coats, cotton warp and worsted weft, costing 3⅞ pence per running yard, weighing under 4 ounces to the square yard:

| | Cents. |
|---|---|
| Present duty, 40 per cent | 3.10 |
| Under Senate bill the duty will be— | |
| 5½ cents per square yard | 4.13 |
| And 50 per cent | 3.87 |
| Total | 8.00 |

which, if entirely ad valorem, would be 103 per cent duty.

32-inch colored italian lining, cotton warp and wool weft, costing 6½ pence per running yard, weighing under 4 ounces per square yard:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 6.50 |
| Under Senate bill the duty will be— | |
| 5½ cents per square yard | 4.88 |
| And 50 per cent | 6.50 |
| Total | 11.38 |

which, if entirely ad valorem, would be 87 per cent duty.

32-inch black italian lining, cotton warp and wool weft, costing 7⅝ pence per running yard, weighing 4¼ ounces per square yard:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 7.62 |
| Under Senate bill the duty will be— | |
| 32 cents per pound | 7.56 |
| And 50 per cent | 7.62 |
| Total | 15.18 |

which, if entirely ad valorem, would be 99 per cent duty.

27-inch black cashmere for men's summer coats, cotton warp and wool weft, costing 7 pence per running yard, weighing under 4 ounces per square yard:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 7.00 |
| Under Senate bill the duty will be— | |
| 6½ cents per square yard | 4.87 |
| And 50 per cent | 7.00 |
| Total | 11.87 |

which, if entirely ad valorem, would be 84 per cent duty.

27-inch black cashmere for men's summer coats, cotton warp and wool weft, costing 8¾ pence per running yard, weighing 4¼ ounces per square yard:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 8.75 |
| Under Senate bill the duty will be— | |
| 32 cents per pound | 6.37 |
| And 50 per cent | 8.75 |
| Total | 15.12 |

which, if entirely ad valorem, would be 86 per cent duty.

38-inch black mohair brilliantine dress goods, for women's wear, cotton warp and mohair weft, costing 9 pence per running yard, weighing under 4 ounces per square yard:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 9.00 |
| Under Senate bill the duty will be— | |
| 6½ cents per square yard | 6.86 |
| And 50 per cent | 9.00 |
| Total | 15.86 |

which, if entirely ad valorem, would be 88 per cent duty.

Cotton and wool (shoddy) melton, 54 inches wide, 14½ ounces weight; value, 11 pence; dutiable value, 21 cents:

| | Cents. |
|---|---|
| Present duty, 40 per cent | 8.4 |
| Under Senate bill the duty will be— | |
| 24 cents per pound | 21.6 |
| And 50 per cent ad valorem | 10.5 |
| Total | 32.0 |

which, if entirely ad valorem, would be 150 per cent.

Union twill, cotton, wool, and shoddy, 56 inches wide, 16 ounces weight; value, 11 pence; dutiable value, 22 cents:

| | Cents. |
|---|---|
| Present duty, 40 per cent | 8.8 |
| Under Senate bill the duty will be— | |
| 24 cents per pound | 24.0 |
| And 50 per cent ad valorem | 11.0 |
| Total | 35.0 |

which, if entirely ad valorem, would be 159 per cent.

56-inch mixture worsted coating for men's suits, worsted warp and weft, costing 27 pence per running yard, weighing 12 ounces per running yard:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 27.0 |
| Under Senate bill the duty will be— | |
| 32 cents per pound | 24.0 |
| And 50 per cent ad valorem | 27.0 |
| Total | 51.0 |

which, if entirely ad valorem, would be 94 per cent.

Cloakings, cotton warp, wool and shoddy filling, 54 inches wide, 28½ ounces weight; value, 1s. 4d.; dutiable value, 31 cents:

| | Cents. |
|---|---|
| Present duty, 40 per cent | 12.4 |
| Under Senate bill the duty will be— | |
| 24 cents per pound | 42.0 |
| And 50 per cent ad valorem | 15.5 |
| Total | 57.5 |

which, if entirely ad valorem, would be 185 per cent.

Cotton warp worsted, 56 inches wide, 11 ounces weight; value, 1s. 4½d.; dutiable value, 32 cents:

| | Cents. |
|---|---|
| Present duty, 40 per cent | 1.28 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | 25.00 |
| And 50 per cent ad valorem | 16.00 |
| Total | 41.00 |

which, if entirely ad valorem, would be 128 per cent.

German cloaking, cotton and wool, 50 inches wide, 10½ ounces weight; value, 1.50 marks; dutiable value, 34.5 cents:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 17.3 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | 24.0 |
| And 55 per cent ad valorem | 19.0 |
| Total | 43.0 |

which, if entirely ad valorem, would be 125 per cent.

Fancy worsteds, 29 inches wide, 12½ ounces weight; value, 2 shillings; dutiable value, 46 cents:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 23.0 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | 28.0 |
| And 50 per cent ad valorem | 23.0 |
| Total | 51.0 |

which, if entirely ad valorem, would be 111 per cent.

Worsted trousering, 29 inches wide, 8 ounces weight; value, 2 shillings; dutiable value, 46.5 cents:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 23.3 |
| Under Senate bill the duty would be— | |
| 36 cents per pound | 18.0 |
| And 55 per cent ad valorem | 25.6 |
| Total | 43.6 |

which, if entirely ad valorem, would be 94 per cent.

German cloakings, cotton and wool, 50 inches wide, 14 ounces weight; value, 2.25 marks; dutiable value, 52 cents:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 26.0 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | 31.5 |
| And 50 per cent ad valorem | 26.0 |
| Total | 57.5 |

which, if entirely ad valorem, would be 110 per cent.

Wool and cotton suiting, 27 inches wide, 12 ounces weight; value, 2s. 6d.; dutiable value, 59 cents:

| | Cents. |
|---|---|
| Present duty, 50 per cent | 29.5 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | 27.0 |
| And 50 per cent ad valorem | 29.5 |
| Total | 56.5 |

which, if entirely ad valorem, would be 95 per cent.

Wool and cotton suitings, 54 inches wide, 24 ounces weight; value, 2s. 10d.; dutiable value, 66 cents:

| | Cents. |
|---|---|
| Present duty, 40 per cent | 26.4 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | 54.0 |
| And 50 per cent ad valorem | 33.0 |
| Total | 87.0 |

which, if entirely ad valorem, would be 132 per cent.

Cheviot, all wool, 58 inches wide, 30 ounces weight; value, 4s. 6d.; dutiable value, $1:

| | |
|---|---|
| Present duty, 50 per cent | $0.50 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | .675 |
| And 50 per cent ad valorem | .50 |
| Total | 1.175 |

which, if entirely ad valorem, would be 117½ per cent.

Covert cloth, 54 inches wide, 32 ounces weight; value, 9 shillings; dutiable value, $2.08:

| | |
|---|---|
| Present duty, 50 per cent | $1.04 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | .72 |
| And 55 per cent ad valorem | 1.14 |
| Total | 1.86 |

which, if entirely ad valorem, would be 89½ per cent.

Wool suitings, 56 inches wide, 18–19 ounces weight; value, 10s. 3d.; dutiable value, $2.36:

| | |
|---|---|
| Present duty, 50 per cent | $1.18 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | $0.41 |
| And 55 per cent ad valorem | 1.30 |
| Total | 1.71 |

which, if entirely ad valorem, would be 72 per cent.

Clay worsted coatings, 56 inches wide, 26 ounces weight; value, 12s. 6d.; dutiable value, $2.90:

| | |
|---|---|
| Present duty, 50 per cent | $1.45 |
| Under Senate bill the duty will be— | |
| 36 cents per pound | .585 |
| And 55 per cent ad valorem | 1.595 |
| Total | 2.18 |

which, if entirely ad valorem, would be 75 per cent.

Mr. JONES of Arkansas. We have by our votes to-day undertaken again and again to remove this proposition to tax goods to compensate manufacturers for tariffs which they have not paid, but we have been met by a solid vote on the other side without regard to the facts, without regard to right. You have insisted on imposing these enormous taxes on the people to compel the masses of the people to pay this compensation for money that has not been invested in raw material by the manufacturers. We are powerless; we can not help ourselves.

Mr. President, the development of the United States in an industrial way is something remarkable. I presented some tables here the other day which showed that the people of this country consume to-day more raw cotton in manufactures than any other country on the globe; that we use more raw wool than any country in the world; that we are the largest producers of pig iron on the earth, and, indeed, in this great manufacture we have taken the lead of all the nations of the earth. There is no longer any room for the pretense that we are an infant; there is no longer any excuse for asking for the benefactions of the Government or to be asking Congress for protection against competition with the balance of the world.

I will put into the RECORD a statement which I have had made up by a very competent man, Jacob Schoenhof, a careful, painstaking, patriotic, intelligent man, a man who has no prejudices for or against any of these questions, and who looks at them, I believe, with absolute impartiality. The statement shows the industrial progress of the United States for the last ten years as compared with Great Britain and Germany. I will insert it as a part of my remarks, and I commend it to the attention of Senators.

The PRESIDING OFFICER. Without objection, the paper referred to by the Senator from Arkansas will be printed in the RECORD.

The paper referred to is as follows:

"INDUSTRIAL PROGRESS OF THE UNITED STATES FOR THE TEN YEARS PAST COMPARED WITH THE PROGRESS MADE IN GERMANY AND GREAT BRITAIN.

"I start my comparison with a showing of the exports of manufactures of metals, chiefly those whereof iron and steel are the component materials, and articles in which the labor cost is vastly in excess of the cost of the material, even if we take the material as advanced in manufacture to the state of finished iron and steel. The totals of these highest finished articles of manufacture, chiefly machinery, implements, and apparatus, exported in 1886 amounted to $22,618,000; in 1891 to $40,618,000, and in 1896 to $63,516,000. This is an increase of eighteen millions, or 79.6 per cent, in the five years closing with 1891, and of $22,898,000, or fully 25 per cent, over the increase of the five years preceding the five years closing with 1896.

I.—*Value of exports of finished articles of manufactures of iron and steel progressed above the crude and half-manufactured state, and of other manufactures of similar character where metals are the component material of chief value, in 1886, 1891, and 1896.*

| Article. | Fiscal year— 1886. | Fiscal year— 1891. | Calendar year 1896. |
|---|---|---|---|
| Agricultural implements: | | | |
| Mowers and reapers | $1,288,000 | $1,567,000 | $2,889,000 |
| Plows and cultivators | 322,000 | 597,000 | 680,000 |
| All other, and parts of | 757,000 | 1,035,000 | 1,075,000 |
| Total | 2,367,000 | 3,219,000 | 4,644,000 |
| Brass, and manufactures of | 150,000 | 297,000 | 1,026,000 |
| Carriages, cars, and parts | 1,928,000 | 4,911,000 | 2,747,000 |
| Clocks and watches | 1,366,000 | 1,580,000 | 1,659,000 |
| Copper manufactures | 109,000 | 190,000 | 819,000 |
| Cycles, and parts of | | | 3,796,000 |
| Instruments and apparatus for scientific purposes | 480,000 | 1,576,000 | 2,717,000 |
| Iron and steel manufactures: | | | |
| Cutlery | 112,000 | 146,000 | 188,000 |
| Firearms | 1,779,000 | 859,000 | 734,000 |
| Builders' hardware, etc | 2,466,000 | 3,858,000 | 6,140,000 |
| Sewing machinery | 2,585,000 | 2,869,000 | 3,051,000 |
| Other machinery | 4,469,000 | 13,425,000 | 22,513,000 |
| Nails | 294,000 | 440,000 | 821,000 |
| Scales and balances | 281,000 | 318,000 | 377,000 |
| Stoves and ranges | 196,000 | 248,000 | 304,000 |
| Wire | 335,000 | 860,000 | 1,788,000 |
| All other | 2,284,000 | 3,987,000 | 8,193,000 |
| Total | 14,801,000 | 27,010,000 | 44,109,000 |
| Lamps, chandeliers, etc | 546,000 | 509,000 | 730,000 |
| Musical instruments | 871,000 | 1,326,000 | 1,269,000 |
| Total | 22,618,000 | 40,618,000 | 68,516,000 |

"The wages paid in the census year in the principal industries contributing to these exports amounted to $189,646,000, which was distributed among 326,500 hands, making an average for each employee in these industries of $580. If we divide the year into 50 working weeks, which is certainly a liberal allowance in view of the idle time that runs in

under the name of holidays or other causes of stoppage in the working year, this is equal to nearly $13 a week wages.

"Counting German wages, at a liberal allowance, as 20 marks per week in these trades on the same computation of time for all employed in similar industries, which takes in minors and adults all at the same rate of pay, this gives near three times as high a rate of wages in the United States as is paid in Germany in the same occupations, if we take wages by the time.

"It will be interesting to see now what one of the modern, progressive countries of Europe, availing itself of the scientific inventions of the time, and, besides, being benefited by a low rate of wages in these industries, as of 1 to 3 against the United States, has to show in progress and development when it comes to compete in the neutral markets of the world with the product of the mills of America, paying, under all considerations, the highest wages in existence.

"I exclude from this comparison all articles of crude manufacture, such as common castings, bar iron, steel rails, wire, etc.

"Exports of the special trade of Germany in manufactures of metals other than crude articles mentioned above as exempted from the tables relating to American exports, but other than machinery, instruments, and apparatus: 1886, $36,199,000; 1891, $48,218,800; 1895, $48,575,800.

"Against this we set the following articles of American manufacture, taken out of the list of Table I:

| Article. | Fiscal year— | | Calendar year 1896. |
|---|---|---|---|
| | 1886. | 1891. | |
| Brass and manufactures of | $150,000 | $297,000 | $1,026,000 |
| Copper manufactures | 109,000 | 190,000 | 819,000 |
| Iron and steel manufactures: | | | |
| Cutlery | 112,000 | 146,000 | 188,000 |
| Firearms | 1,779,000 | 859,000 | 734,000 |
| Builders' hardware, etc | 2,466,000 | 3,868,000 | 6,140,000 |
| Nails | 298,000 | 440,000 | 821,000 |
| Stoves and ranges | 196,000 | 248,000 | 304,000 |
| All other | 2,284,000 | 3,987,000 | 8,198,000 |
| Lamps, chandeliers, etc | 546,000 | 509,000 | 730,000 |
| Total | 7,940,000 | 10,534,000 | 18,955,000 |
| Increase over preceding figures | | 2,604,000 | 8,421,000 |
| Increase per cent | | 33.93 | 80 |

"It will be seen that in these manufactures the German increase in the five years closing with 1895 was very small. Based on the average of the five years from 1886 to 1890, inclusive, they show smaller progress yet. The total increase of the average of 1891 to 1895 over the increase of the five years of 1886 to 1891 is but 7,000,000 marks, or $1,666,000, an increase of barely 3 per cent. The American increase in the exports of these manufactures has been prodigious. It is an increase of 82 per cent over 1891, i. e., $18,955,000 in 1896 against $10,534,000 in the former year. Germany shows no advance over the figures of the year 1891.

"The German exports of clocks and watches and parts of watches, gold, silver, or any other material, amounted in 1886 to $1,808,800, in 1891 to $2,689,000, and in 1895 to $1,737,000.

"The American exports in these, while lower in 1891 by $1,000,000 than those of Germany, in 1896 were but about $100,000 behind the exports of Germany for 1895, the last year accessible for full information upon German trade. America shows a progressive export, while Germany falls behind the exports of 1891 by nearly $1,000,000.

"Carriages and cars and parts of cars have gone back from the figures of 1891 by over $2,000,000, but are still considerably ahead of the exports of Germany.

"Eliminating these here-named articles from the general list counted up in Table I, we have machinery of all kinds, agricultural implements, instruments, and apparatus of all kinds left to set against German exportations classified under the heading of machines, instruments, and apparatus of all kinds. The amount for these exported in 1886 is $27,203,000; for 1891, $36,509,000; for 1895, $47,147,000.

"The American exports in the same lines present the following figures:

| Article. | Fiscal year— | | |
|---|---|---|---|
| | 1886. | 1891. | 1896. |
| Agricultural implements | $2,367,000 | $3,219,000 | $4,644,000 |
| Cycles, and parts of | | | 3,796,000 |
| Instruments and apparatus for scientific purposes | 430,000 | 1,576,000 | 2,717,000 |
| Sewing machines | 2,505,000 | 2,869,000 | 3,051,000 |
| Other machinery | 4,469,000 | 13,425,000 | 22,513,000 |
| Scales and balances | 261,000 | 319,000 | 377,000 |
| Musical instruments | 871,000 | 1,326,000 | 1,269,000 |
| Total | 11,053,000 | 22,733,000 | 38,367,000 |
| Increase over figures of preceding five years | | 11,680,000 | 14,634,000 |
| Increase per cent | | 105 | 64.4 |

"While 1891 shows yet a difference of $14,000,000 and of 38 per cent below the exports of Germany, the year 1896, but five years later, shows only $9,000,000 and 18½ per cent below the export figures of Germany, considerable as has been the increase in exports in Germany in these lines of goods. We have certainly reached in 1896 beyond the exports of Germany for 1891, and even for 1894, when they were only 4,000,000 marks more than in 1891, as a great increase over any of the preceding figures has taken place in German exports of this class in 1896.

"An equal showing of industrial progress of the decade for the closing of which, to wit, 1895, comparative data are at hand from the United Kingdom and Germany, can be made by reference to the output of coal and pig iron.

II.—*Number of tons of coal and of pig iron produced in the United States, the United Kingdom, and Germany in the ten years from 1886 to 1895, inclusive.*

[2,240 pounds for the United States and United Kingdom, and metric tons of 2,200 pounds for Germany.]

| Year. | United States. | | | | United Kingdom. | | | | Germany. | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Coal. | | Pig iron. | | Coal. | | Pig iron. | | Coal. | | Pig iron. | |
| | *Tons.* | *Per cent.* | *Tons.* | *Per cent.* | *Tons.* | *Per cent.* | *Tons.* | *Per cent.* | *Tons.* | *Per cent.* | *Tons.* | *Per cent.* |
| 1885 | | | 4,044,526 | | 159,351,418 | | 7,415,469 | | 73,675,500 | | 3,687,400 | |
| 1886 | 96,144,829 | | 5,683,329 | 40 | 157,518,482 | — 1.2 | 7,009,754 | 5.5 | 73,682,600 | 0.01 | 3,528,700 | — 4.3 |
| 1887 | 110,727,906 | 15 | 6,417,148 | 13 | 162,119,812 | 2.9 | 7,559,518 | 7.8 | 76,232,600 | 3.4 | 4,024,000 | 14 |
| 1888 | 126,819,406 | 14 | 6,489,738 | 1 | 169,935,219 | .5 | 7,998,969 | 5.8 | 81,960,100 | 7.5 | 4,337,100 | 7.8 |
| 1889 | 126,097,780 | — .6 | 7,603,642 | 17 | 176,916,724 | 4.1 | 8,322,824 | 4 | 84,973,200 | 3.6 | 4,524,600 | 4.3 |
| 1890 | 140,882,729 | 11.7 | 9,202,703 | 21 | 181,614,288 | 2.6 | 7,904,214 | 5 | 89,290,800 | 5 | 4,658,500 | 3 |
| 1891 | 150,505,954 | 6.8 | 8,279,870 | —10 | 185,479,126 | 2.1 | 7,406,064 | — 6.3 | 94,232,300 | 5.5 | 4,641,200 | — 4 |
| 1892 | 160,115,242 | 6.3 | 9,157,000 | 10.6 | 181,786,871 | — 2 | 6,709,255 | — 9.4 | 92,544,100 | — 2 | 4,937,500 | 6.4 |
| 1893 | 162,814,977 | 1.7 | 7,124,502 | —22.1 | 164,325,795 | — 9.6 | 6,976,990 | 4 | 95,426,100 | 3 | 4,986,000 | 1 |
| 1894 | 152,447,791 | — 6.4 | 6,657,388 | — 6.5 | 188,277,525 | 14 | 7,427,343 | 6.5 | 98,805,700 | 3.5 | 5,380,000 | 7.9 |
| 1895 | 172,426,366 | 13 | 9,446,308 | 42 | 189,661,362 | .7 | 7,703,459 | 3.7 | | | | |
| 1886–1895 | | 79 | | [a] 133 | | [a] 19 | | [a] 3.9 | | [b] 34 | | [b] 45.8 |

[a] 1885–1895. [b] 1885–1894.

"For Germany the output of coal takes in coal proper and lignites, a species of coal not made use of in the United States or the United Kingdom as extensively as in Germany, so far as I know.

"A somewhat more marked and steady progress is shown from the German accounts from 1888 on, but still the progress is left away behind by the progress made by the United States.

"A similar result do we get by a comparison of the quantities of raw material consumed by the three countries in those textile industries which give the most employment to human labor—the cotton and wool industries.

"I submit comparative tables of the number of pounds of cotton consumed in the mills of the United States, the United Kingdom, and Germany. This takes in all the cottons consumed for the United States, whether of American growth or foreign.

III.—*Quantity of cotton consumed in the United States, the United Kingdom, and Germany in each of the ten years from 1886 to 1895.*

| Year. | United States. | Increase. | United Kingdom. | Increase. | Germany. | Increase. |
|---|---|---|---|---|---|---|
| | *Pounds.* | *Per ct.* | *Pounds.* | *Per ct.* | *Pounds.* | *Per ct.* |
| 1886 | 1,128,063,588 | | 1,517,186,720 | | 354,127,400 | |
| 1887 | 991,129,273 | —12 | 1,498,822,304 | — 1.2 | 434,931,200 | 22.8 |
| 1888 | 1,180,345,185 | 11.8 | 1,456,915,936 | — 2.8 | 393,888,000 | 8.5 |
| 1889 | 1,062,903,210 | — 9 | 1,659,859,936 | 14 | 493,904,400 | 25.3 |
| 1890 | 1,163,924,275 | 9.5 | 1,578,853,360 | — 5 | 498,605,800 | .9 |

III.—*Quantity of cotton consumed in the United States, etc.*—Continued.

| Year. | United States. | Increase. | United Kingdom. | Increase. | Germany. | Increase. |
|---|---|---|---|---|---|---|
| | *Pounds.* | *Per ct.* | *Pounds.* | *Per ct.* | *Pounds.* | *Per ct.* |
| 1891 | 1,429,146,210 | 23 | 1,812,877,248 | 14.8 | 522,141,400 | 4.6 |
| 1892 | 1,599,887,165 | 11.8 | 1,542,332,400 | —14.4 | 481,914,400 | 7.7 |
| 1893 | 1,183,550,452 | —26 | 1,192,158,576 | 22.7 | 498,401,200 | 3.4 |
| 1894 | 1,112,775,166 | — 6 | 1,548,221,808 | 30 | 559,528,200 | 12.3 |
| 1895 | 1,567,991,708 | 40 | 1,553,758,080 | .3 | 587,534,200 | 4.9 |
| Increase for decade | 439,928,120 | 39 | 36,571,360 | 2.4 | 233,406,800 | 65.9 |

"The comparison, starting with 1886, shows for the United States an increase of 39 per cent over 1886, Great Britain of only 2.4 per cent, and Germany of 65.9 per cent. But as Germany's start was from a base of 354,000,000 pounds, that of England from 1,517,000,000 pounds, and of the United States from 1,128,000,000 pounds, it is natural that a percentage increase is very much larger for Germany, although the increase in the pounds is not much over one-half of that of the United States.

"Equally impressive are the figures relating to the number of pounds of wool produced and retained for home consumption and the pounds of imported wools retained for home consumption by the three countries.

IV.—*Number of pounds of wool produced and retained for home consumption and number of pounds of wool imported and retained for home consumption by the United States, the United Kingdom, and Germany in each of the ten years from 1885 to 1896, inclusive.*

| Year. | United States. | | | United Kingdom. | | | Germany. | | |
|---|---|---|---|---|---|---|---|---|---|
| | Wool produced and retained for consumption. | Net imports and retained for consumption. | Total retained for consumption. | Wool produced and retained. | Wool imports retained for consumption. | Total retained for consumption. | Wool produced and retained for consumption. | Net imports. | Total retained for consumption. |
| 1886 | 301,853,000 | 129,084,000 | 424,404,000 | 151,505,000 | 284,464,000 | 435,969,000 | 102,000,000 | 246,312,000 | 348,312,000 |
| 1887 | 284,742,000 | 114,038,000 | 392,051,000 | 156,825,000 | 258,721,000 | 415,546,000 | 99,000,000 | 252,804,000 | 351,804,000 |
| 1888 | 268,977,000 | 113,558,000 | 378,176,000 | 150,040,000 | 300,192,000 | 450,232,000 | 96,000,000 | 295,024,000 | 391,024,000 |
| 1889 | 264,858,000 | 126,487,000 | 388,083,000 | 155,142,000 | 337,256,000 | 492,398,000 | 93,000,000 | 319,761,000 | 412,761,000 |
| 1890 | 275,768,000 | 105,431,000 | 377,911,000 | 170,507,000 | 292,315,000 | 462,622,000 | 90,000,000 | 269,500,000 | 359,500,000 |
| 1891 | 284,708,000 | 129,303,000 | 411,373,000 | 184,471,000 | 335,789,000 | 520,260,000 | 87,000,000 | 311,130,000 | 398,130,000 |
| 1892 | 293,797,000 | 148,670,000 | 439,460,000 | 183,924,000 | 312,217,000 | 496,141,000 | 84,000,000 | 333,566,000 | 437,366,000 |
| 1893 | 303,061,000 | 172,433,000 | 471,276,000 | 174,601,000 | 331,578,000 | 506,179,000 | 81,000,000 | 291,604,000 | 372,604,000 |
| 1894 | 297,353,000 | 55,152,000 | 346,712,000 | 167,274,000 | 359,541,000 | 526,815,000 | 80,000,000 | 349,905,000 | 429,905,000 |
| 1895 | 305,468,000 | 206,033,000 | 509,159,000 | | | | | | |
| 1895 [a] | 290,000,000 | 248,989,000 | 538,989,000 | 156,977,000 | 370,443,000 | 527,420,000 | 80,000,000 | 397,647,000 | 477,647,000 |

[a] Calendar year.

"The data for this and the preceding comparative table I have taken for the United States from the Statistical Abstract of the United States for the year 1896, for the United Kingdom from the Statistical Abstract for the United Kingdom for the year 1896, and for Germany from Statistisches Jahrbuch für das Deutsche Reich für 1896. For the United Kingdom and Germany I could not take the pounds of wool produced and retained for home consumption that were of domestic growth. The figures are not given in these compilations. But I took the nearest approach to correctness, by taking the number of sheep which is published in the abstracts for Great Britain for each year, and multiplied the number by 6, which is about the average of wool per sheep. This is not absolutely correct, and may be somewhere above the actual yield. It is below the yield for the United States per sheep, but it must be borne in mind that while in Great Britain the wool is washed on the sheep's back before shearing, American wool is mostly sold in the grease.

"From these figures I deducted the number of pounds of wool of domestic growth exported, and so got the net result of wool retained at home for manufacturing purposes.

"For Germany I had to make a similar estimate. Here, however, I had not the years specially given. The census of sheep and of all live stock is taken every ten years only. Now, it is not at all peculiar, though it is noteworthy, that though all other live stock has increased from the days of the sixties in Germany, sheep have decreased by more than 50 per cent. The sheep in the sixties for the territory that now comprises the German Empire were 28,000,000; in 1873 the first census of live stock shows sheep numbered 25,000,000, or, strictly speaking, 24,999,400. By 1883 they had fallen to 19,189,700, and by 1893, the census having been taken on December 1, 1892, the number showed 13,589,600.

"Now, taking 1892 as my base, I found in the ten years a decline of 5,600,000, and figuring backward, I reduced for each year following 1892 the number by 500,000, and increased the number for the years back of 1892 to that extent.

"For Germany I also included the net amount of wool tops imported, making due allowance for the difference in weight for tops to make them equal to the greasy wool that has been consumed in their production. For the United Kingdom this was not necessary, as the wool tops imported would be nearly balanced by the exports, and the United States do not figure in exports or imports of tops to any extent.

"For the United States I have given the fiscal year ending with June 30, while in the United Kingdom and Germany the year ends with December 31. For 1895 I have taken, besides the fiscal year for the United States, an account of the calendar year ending December 31 in the wool tables. This, besides making the year equal to that of the two countries named, is necessary for another reason, because 1895 was the full year of twelve months within which the tariff of 1894 was operative in woolen goods and free wool.

"I have the account of the wool produced and retained for consumption for the fiscal year in the Statistical Abstract, but for the calendar year I had no account, and I took into consideration the decrease of sheep reported for the year 1896 below that of 1895; and as that decrease was about 10 per cent, I reduced the wool produced and retained for consumption about 5 per cent, as 5 per cent would cover the six months that are not part of the fiscal year 1895.

"It is shown from the tabulation that 1895, the calendar year, consumed more wool in the United States than was consumed in the United Kingdom or Germany, although the prosperity of the woolen trade in the United Kingdom in 1895 was of such a nature as had rarely been seen within the memory of this generation in the Yorkshire district.

"The saving clause has, however, to be borne in mind all the time, that these wool statements are all for the wools as marketed, and not as they yield in manufacturing. It is therefore impossible to make the comparison as correct as in cotton. A safer base would be, perhaps, to add to the domestic wool retained for home consumption for Germany and England a proportionate amount per sheep to bring the comparison to the American wool, but if we were to add, to bring it to that ratio, say, 1 pound per sheep, this would give an addition of 30,000,000, and allowing for the exports of domestic wools, an addition of about 25,000,000 to the amount would perhaps cover that difference. Even then the approach of the United States to the wool consumption of Great Britain is very close, making the excess of consumption of wool of the United Kingdom but 15,000,000 pounds over that of the United States."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Missouri [Mr. Vest], to strike out paragraphs 366 and 367 and insert paragraph 283 of the existing law, which has been heretofore read.

Mr. VEST. On that I call for the yeas and nays.

The yeas and nays were ordered; and the Secretary proceeded to call the roll.

Mr. DEBOE (when his name was called). I am paired with the Senator from Nebraska [Mr. Allen].

Mr. GEAR (when his name was called). I am paired with the Senator from New Jersey [Mr. Smith]. If he were present, I should vote "nay."

Mr. HAWLEY (when his name was called). I am paired with the Senator from Tennessee [Mr. Bate].

Mr. MCLAURIN (when his name was called). I am paired with the Senator from North Carolina [Mr. Pritchard].

Mr. RAWLINS (when his name was called). I am paired with the Senator from Ohio [Mr. Hanna], and therefore withhold my vote.

Mr. TILLMAN (when his name was called). I again announce my pair with the Senator from Nebraska [Mr. Thurston].

Mr. WARREN (when his name was called). I am paired with the junior Senator from Washington [Mr. Turner]. I see he is not in the Chamber, and I therefore withhold my vote.

Mr. WELLINGTON (when his name was called). I again announce my pair with the junior Senator from North Carolina [Mr. Butler].

The roll call was concluded.

Mr. HAWLEY. The Senator from South Carolina [Mr. McLaurin] and I have agreed to transfer our pairs. He is paired with the Senator from North Carolina [Mr. Pritchard], and I am paired with the Senator from Tennessee [Mr. Bate]. This leaves the Senator from South Carolina and me at liberty to vote. I vote "nay."

Mr. MCLAURIN. Under that arrangement I am at liberty to vote, and vote "yea."

Mr. PASCO (after having voted in the affirmative). I notice that the Senator from Washington [Mr. Wilson], with whom I am paired, has not voted, and I therefore withdraw my vote.

The result was announced—yeas 22, nays 30, as follows:

YEAS—22.

| | | | |
|---|---|---|---|
| Bacon | Gorman | Mallory | Turpie |
| Caffery | Gray | Martin | Vest |
| Chilton | Harris, Kans. | Mills | Walthall |
| Clay | Jones, Ark. | Morgan | White |
| Cockrell | Kenney | Pettus | |
| Faulkner | McLaurin | Roach | |

NAYS—30.

| | | | |
|---|---|---|---|
| Allison | Foraker | McEnery | Sewell |
| Burrows | Frye | Mantle | Shoup |
| Carter | Gallinger | Penrose | Spooner |
| Chandler | Hale | Perkins | Stewart |
| Clark | Hawley | Platt, Conn. | Teller |
| Davis | Hoar | Platt, N. Y. | Wetmore |
| Elkins | Lodge | Proctor | |
| Fairbanks | McBride | Quay | |

NOT VOTING—37.

| | | | |
|---|---|---|---|
| Aldrich | Gear | Mason | Thurston |
| Allen | George | Mitchell | Tillman |
| Baker | Hanna | Morrill | Turner |
| Bate | Hansbrough | Murphy | Warren |
| Berry | Harris, Tenn. | Nelson | Wellington |
| Butler | Heitfeld | Pasco | Wilson |
| Cannon | Jones, Nev. | Pettigrew | Wolcott |
| Cullom | Kyle | Pritchard | |
| Daniel | Lindsay | Rawlins | |
| Deboe | McMillan | Smith | |

So the amendment of Mr. Vest was rejected.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on Page 126, paragraph 368, line 5, after the word "shawls," to strike out the comma; and in line 6, after the word "knitted," to strike out "underwear" and insert "articles," so as to read:

"368. On clothing, ready-made, and articles of wearing apparel of every description, including shawls whether knitted or woven, and knitted articles of every description, made up or manufactured wholly or in part, etc."

The amendment was agreed to.

The next amendment was, on page 126, paragraph 368, line 7, after the word "part," to strike out "felts not woven and not specially provided for in this act."

Mr. ALLISON. I ask that that amendment may be disagreed to.

Mr. JONES of Arkansas. What will be the effect of that?

Mr. ALLISON. To put those articles in the basket clause.

Mr. JONES of Arkansas. At what rate? Forty-five per cent?

Mr. ALLISON. At 45 per cent, I think.

The PRESIDING OFFICER. Without objection, the amendment will be disagreed to. The Chair hears none, and it is disagreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 126, paragraph 368, line 11, before the word "pound," to strike out "a"

and insert "one;" and in line 12, before the words "per centum," to strike out "sixty" and insert "fifty-five," so as to make the paragraph read:

"368. On clothing, ready made, and articles of wearing apparel of every description, including shawls, whether knitted or woven, and knitted articles of every description, made up or manufactured wholly or in part, felts not woven and not specially provided for in this act, composed wholly or in part of wool, the duty per pound shall be four and one-half times the duty imposed by this act on 1 pound of unwashed wool of the first class, and in addition thereto 55 per cent ad valorem."

The amendment was agreed to.

Mr. VEST. Mr. President, I want to call attention to the effect of this amendment in paragraph 368. In the first classification on clothing, ready made, and articles of wearing apparel of every description, valued at not over 40 cents per pound, the duty is 171.15 per cent; on the next classification, of knit fabrics, valued at not over 40 cents per pound, the duty is 140 per cent; and upon the last specification, upon hats, valued at not over 30 cents per pound, the duty is 203.48 per cent; in other words, if a hat costs $2 abroad and comes into this country, it is taxed $4.50, making it cost the American citizen, who wants to cover his head from the weather, $6.50 on a foreign article worth $2. It is 203.48 per cent upon an ordinary, common hat which can be bought abroad at $2, and that is a very good hat abroad. The duty would be within 2 cents of $4.50. I move to strike out the paragraph and to insert paragraph 284 of the existing law.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. It is proposed to strike out paragraph 368 and to insert in lieu thereof:

"On clothing, ready-made, and articles of wearing apparel of every description, made up or manufactured wholly or in part, not specially provided for in this act, felts not specially provided for in this act, all the foregoing composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, including those having india rubber as a component material, valued at above $1.50 per pound, 50 per cent ad valorem; valued at less than $1.50 per pound, 45 per cent ad valorem."

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Missouri.

Mr. VEST. On that I ask for the yeas and nays.

The yeas and nays were ordered; and the Secretary proceeded to call the roll.

Mr. DEBOE (when his name was called). I am paired with the Senator from Nebraska [Mr. Allen].

Mr. GRAY (when his name was called). I am paired with the senior Senator from Illinois [Mr. CULLOM].

Mr. PASCO (when his name was called). I again announce my pair with the Senator from Washington [Mr. Wilson]. If he were present I should vote "yea."

Mr. RAWLINS (when his name was called). The Senator from Iowa [Mr. Gear] will transfer his pair with the Senator from New Jersey [Mr. Smith] to the Senator from Ohio [Mr. Hanna], with whom I am paired, and the Senator from Iowa and I will vote. I vote "yea."

Mr. TILLMAN (when his name was called). I am paired with the Senator from Nebraska [Mr. Thurston].

Mr. WARREN (when his name was called). I again announce my pair with the junior Senator from Washington [Mr. Turner].

Mr. WELLINGTON (when his name was called). I again announce my pair with the junior Senator from North Carolina [Mr. Butler].

The roll call was concluded.

Mr. DAVIS. I desire to inquire if the Senator from Indiana [Mr. Turpie] has voted?

The PRESIDING OFFICER. He has not voted, the Chair is informed.

Mr. DAVIS. Being paired with that Senator, I withhold my vote.

Mr. GEAR. I transfer my pair with the Senator from New Jersey [Mr. Smith] to the Senator from Ohio [Mr. Hanna], and will vote. I vote "nay."

The result was announced—yeas 20, nays 28, as follows:

YEAS—20.

| | | | |
|---|---|---|---|
| Bacon | Faulkner | McLaurin | Rawlins |
| Caffery | Harris, Kans. | Mallory | Roach |
| Chilton | Heitfeld | Martin | Vest |
| Clay | Jones, Ark. | Mills | Walthall |
| Cockrell | Kenney | Pettus | White |

NAYS—28.

| | | | |
|---|---|---|---|
| Allison | Foraker | McEnery | Quay |
| Burrows | Frye | Mantle | Sewell |
| Carter | Gallinger | Penrose | Shoup |
| Chandler | Gear | Perkins | Spooner |
| Clark | Hawley | Platt, Conn. | Stewart |
| Elkins | Lodge | Platt, N. Y. | Teller |
| Fairbanks | McBride | Proctor | Wetmore |

NOT VOTING—41.

| | | | |
|---|---|---|---|
| Aldrich | George | McMillan | Thurston |
| Allen | Gorman | Mason | Tillman |
| Baker | Gray | Mitchell | Turner |
| Bate | Hale | Morgan | Turpie |
| Berry | Hanna | Morrill | Warren |
| Butler | Hansbrough | Murphy | Wellington |
| Cannon | Harris, Tenn. | Nelson | Wilson |
| Cullom | Hoar | Pasco | Wolcott |
| Daniel | Jones, Nev. | Pettigrew | |
| Davis | Kyle | Pritchard | |
| Deboe | Lindsay | Smith | |

So Mr. Vest's amendment was rejected.

The reading of the bill was resumed. The next amendment of the Committee on Finance was, in paragraph 369, page 126, line 23, before the word "cents," to strike out "sixty" and insert "forty," so as to make the paragraph read:

"369. Webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, laces and other trimmings and articles made wholly or in part of lace, embroideries and articles embroidered by hand or machinery, head nets, netting, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is a component material, whether composed in part of india rubber or otherwise, 40 cents per pound and 60 per cent ad valorem."

Mr. ALLISON. In line 23 I move to amend the committee amendment by striking out "forty" and inserting "fifty;" and in line 24 by striking out "sixty" and inserting "fifty-five," so as to read:

"Fifty cents per pound and 55 per cent ad valorem."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. VEST. Without the amendment just adopted, as proposed by the Senator from Iowa, the duty upon the articles named in paragraph 369 is 80 per cent ad valorem. With the addition he has made of 10 cents it would be 100 per cent.

Mr. ALLISON. The committee reduced the ad valorem in line 24 to 55 per cent. The Senator from Missouri should take that into account.

Mr. VEST. I did not notice that. I did not catch the last amendment. The ad valorem is reduced from 60 to 55 per cent.

For the sake of argument I will take it at the rate of 80 per cent ad valorem, which it unquestionably is. What is the practical result of this sort of taxation? This paragraph includes suspenders. I will take that because it is an article of ordinary use by the male sex. For a pair of suspenders appraised at 50 cents the price is increased to 90 cents at 80 per cent. It would cost a poor man who wants to buy a pair of suspenders worth 50 cents 90 cents instead of 50. Of course the American manufacturer, because this is a protective duty—and unless it increases the price, there is no protection in the paragraph—goes just inside the tariff line and charges 85 cents, so that at the very lowest calculation the consumer pays 35 cents more by reason of the proposed legislation upon this article of ordinary and prime necessity.

I move to strike out paragraph 369 and insert paragraph 286 of the existing law; and upon that I call for the yeas and nays.

The PRESIDING OFFICER. The amendment proposed by the Senator from Missouri will be stated.

The SECRETARY. It is proposed to strike out paragraph 369 and insert in lieu thereof the following:

"On webbings, gorings, suspenders, braces, beltings, bindings, braids, galloons, fringes, gimps, cords, cords and tassels, dress trimmings, laces, embroideries, head nets, nettings and veilings, buttons, or barrel buttons, or buttons of other forms, for tassels or ornaments, any of the foregoing which are elastic or nonelastic, made of wool, worsted, the hair of the camel, goat, alpaca, or other animals, or of which wool, worsted, the hair of the camel, goat, alpaca, or other animals is a component material, 50 per cent ad valorem."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri, on which the yeas and nays have been demanded.

The yeas and nays were ordered; and the Secretary proceeded to call the roll.

Mr. GEAR (when his name was called). I again transfer my pair with the Senator from New Jersey [Mr. Smith] to the Senator from Ohio [Mr. Hanna], and will vote. I vote "nay."

Mr. GRAY (when his name was called). I am paired with the senior Senator from Illinois [Mr. CULLOM]. If he were present, I should vote "yea."

Mr. PLATT of New York (when his name was called). I am paired with the senior Senator from New York [Mr. Murphy], and therefore withhold my vote.

Mr. RAWLINS (when his name was called). I am paired with the Senator from Ohio [Mr. Hanna], but my pair has been transferred to the Senator from New Jersey [Mr. Smith], and I will vote. I vote "yea."

Mr. SEWELL (when his name was called). I am paired with the Senator from Wisconsin [Mr. Mitchell].

Mr. WARREN (when his name was called). I am paired with the junior Senator from Washington [Mr. Turner].

Mr. WELLINGTON (when his name was called). I again announce my pair with the junior Senator from North Carolina [Mr. Butler]. If he were present, I should vote "nay."

The roll call was concluded.

Mr. TILLMAN. I have a pair with the Senator from Nebraska [Mr. Thurston].

Mr. JONES of Arkansas. I am paired with the Senator from Maine [Mr. HALE], and therefore withhold my vote.

The result was announced—yeas 23, nays 27, as follows:

YEAS—23.

| | | | |
|---|---|---|---|
| Bacon | Gorman | Martin | Roach |
| Caffery | Harris, Kans. | Mills | Turpie |
| Chilton | Heitfeld | Morgan | Vest |
| Clay | Kenney | Pasco | Walthall |
| Cockrell | McLaurin | Pettus | White |
| Faulkner | Mallory | Rawlins | |

NAYS—27.

| | | | |
|---|---|---|---|
| Allison | Foraker | McBride | Shoup |
| Burrows | Frye | McEnery | Spooner |
| Carter | Gallinger | Penrose | Stewart |
| Chandler | Gear | Perkins | Teller |
| Davis | Hawley | Platt, Conn. | Wetmore |
| Elkins | Hoar | Proctor | Wilson |
| Fairbanks | Lodge | Quay | |

NOT VOTING—39.

| | | | |
|---|---|---|---|
| Aldrich | Deboe | Lindsay | Pritchard |
| Allen | George | McMillan | Sewell |
| Baker | Gray | Mantle | Smith |
| Bate | Hale | Mason | Thurston |
| Berry | Hanna | Mitchell | Tillman |
| Butler | Hansbrough | Morrill | Turner |
| Cannon | Harris, Tenn. | Murphy | Warren |
| Clark | Jones, Ark. | Nelson | Wellington |
| Cullom | Jones, Nev. | Pettigrew | Wolcott |
| Daniel | Kyle | Platt, N. Y. | |

So Mr. Vest's amendment was rejected.

EXECUTIVE SESSION.

Mr. KEAN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, May 5, 1909, at 11 o'clock a. m.

## NOMINATIONS.

*Executive nominations received by the Senate May 4, 1909.*

ASSOCIATE JUSTICE OF SUPREME COURT OF ARIZONA.

Ernest W. Lewis, of Arizona, to be associate justice of the supreme court of the Territory of Arizona, vice Richard E. Sloan, resigned.

ASSOCIATE JUSTICES OF SUPREME COURT OF NEW MEXICO.

Alford W. Cooley, of New Mexico, to be associate justice of the supreme court of the Territory of New Mexico, vice Edward A. Mann, term expired.

Merritt C. Meecham, of New Mexico, to be associate justice of the supreme court of the Territory of New Mexico (commencing July 1, 1909). An original vacancy provided by the act approved March 3, 1909. (Public, No. 322.)

FIRST ASSISTANT COMMISSIONER OF PATENTS.

Cornelius C. Billings, of Brattleboro, Vt., now Assistant Commissioner of Patents, to be First Assistant Commissioner of Patents, to take effect July 1, 1909, to fill a new office created by act of Congress approved March 4, 1909. (Public, No. 326.)

ASSISTANT COMMISSIONER OF PATENTS.

Frederick A. Tennant, of Ripley, N. Y., now a law examiner in the Patent Office, to be Assistant Commissioner of Patents, to take effect July 1, 1909, vice Cornelius C. Billings, promoted.

UNITED STATES ATTORNEYS.

John I. Worthington, of Arkansas, to be United States attorney, western district of Arkansas, vice James K. Barnes, deceased.

William G. Whipple, of Arkansas, to be United States attorney, eastern district of Arkansas. A reappointment, his term having expired on February 22, 1909.

INDIAN INSPECTOR.

Ernest P. Holcombe, of Salt Lake City, Utah, now a special inspector of the Department of the Interior, to be an Indian inspector, vice Arthur M. Tinker, resigned.

PROMOTIONS IN THE ARMY.

MEDICAL CORPS.

Capt. Edward F. Geddings, Medical Corps, to be major from January 15, 1909, vice Raymond, promoted.

Capt. Arthur W. Morse, Medical Corps, to be major from February 26, 1909, vice Morris, retired from active service.

Capt. Frank C. Baker, Medical Corps, to be major from February 26, 1909, vice Harris, promoted.

PROMOTIONS IN THE NAVY.

Surg. Philip Leach to be a medical inspector in the navy from the 1st day of April, 1909, vice Medical Inspector Henry T. Percy, deceased.

First Lieut. Thomas H. Brown to be a captain in the United States Marine Corps from the 13th day of May, 1908, vice Capt. Smedley D. Butler, promoted.

Lester E. Wass, a citizen of Massachusetts, to be a second lieutenant in the United States Marine Corps from the 23d day of April, 1909, to fill a vacancy existing in that grade on that date.

Lieut. (Junior Grade) Austin S. Kibbee to be a lieutenant in the navy from the 3d day of February, 1908, to fill a vacancy existing in that grade on that date.

POSTMASTERS.

ARKANSAS.

Richard P. Chitwood to be postmaster at Magazine, Ark. Office became presidential April 1, 1909.

IDAHO.

Alfred J. Dunn to be postmaster at Wallace, Idaho, in place of Alfred J. Dunn. Incumbent's commissison expired December 14, 1908.

ILLINOIS.

A. C. Doyle to be postmaster at Cerro Gordo, Ill., in place of Thomas J. Wimmer. Incumbent's commission expired February 23, 1909.

George W. Gaultney to be postmaster at Patoka, Ill. Office became presidential April 1, 1909.

Noble S. Songer to be postmaster at Iuka, Ill. Office became presidential April 1, 1909.

IOWA.

Delbert W. Duncan to be postmaster at Sioux Center, Iowa. Office became presidential January 1, 1909.

MICHIGAN.

Alfred S. Follansbee to be postmaster at Ontonagon, Mich., in place of Alfred S. Follansbee. Incumbent's commission expired March 1, 1909.

OKLAHOMA.

Thomas Fennell to be postmaster at Fort Towson, Okla. Office became presidential April 1, 1909.

Walter E. Rathbun to be postmaster at Coalgate, Okla., in place of George S. Gray. Incumbent's commission expired February 27, 1909.

PENNSYLVANIA.

Mary J. Russell to be postmaster at Vilas, Pa., in place of Mary J. Russell. Incumbent's commission expired January 10, 1909.

## CONFIRMATIONS.

*Executive nominations confirmed by the Senate May 4, 1909.*

UNITED STATES JUDGE.

Thomas R. Lyons to be United States district judge, first division, district of Alaska.

CIVIL SERVICE COMMISSIONER.

James Thomas Williams, jr., to be a civil service commissioner.

CONSUL.

Edward I. Nathan to be consul at Mersine, Turkey.

POSTMASTER.

OREGON.

C. B. Wilson, at Newberg, Oreg.

## SENATE.

WEDNESDAY, *May 5, 1909.*

The Senate met at 11 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

FINDINGS OF THE COURT OF CLAIMS.

The PRESIDENT pro tempore laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting certified copies of the findings of fact filed by the court in the following causes:

In the cause of Richard T. Gott and Benjamin N. Gott, executors of Thomas N. Gott, deceased, *v.* United States (S. Doc. No. 32);

In the cause of William T. McKimmy, administrator of John McKimmy, deceased, *v.* United States (S. Doc. No. 31);

In the cause of the Rector, Wardens, and Vestry of St. Paul's Episcopal Church, of Sharpsburg, Antietam Parish, Washington County, Md., *v.* United States (S. Doc. No. 36);

In the cause of the Trustees of Roper Church, of New Kent County, Va., *v.* United States (S. Doc. No. 35);

In the cause of Lorenzo D. Corrick, administrator of William Corrick, deceased, *v.* United States (S. Doc. No. 33); and

In the cause of the Old School Baptist Church, of Upperville, Va., *v.* United States (S. Doc. No. 34).

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore presented the memorial of Granville Lisherness, of North New Portland, Me., remonstrating against the imposition of a duty on nitrogen, which was ordered to lie on the table.

He also presented petitions of sundry citizens of Minnesota, Illinois, Virginia, Ohio, Alabama, North Dakota, California, Massachusetts, Montana, Pennsylvania, Wisconsin, Kentucky, Louisiana, Nebraska, West Virginia, Maryland, Tennessee, Iowa, Texas, New York, Idaho, North Carolina, Michigan, and of the Territory of Alaska, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. BURNHAM presented a petition of sundry employees of the Wardwell Needle Company, of Lakeport, N. H., praying for the retention of the proposed duty on hosiery, which was ordered to lie on the table.

He also presented petitions of sundry citizens of Effingham Falls, Mill Village, Newport, and Boscawen, all in the State of New Hampshire, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.